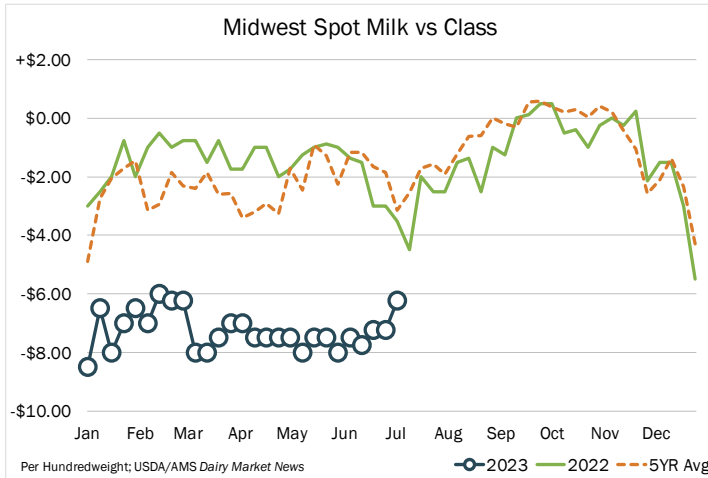
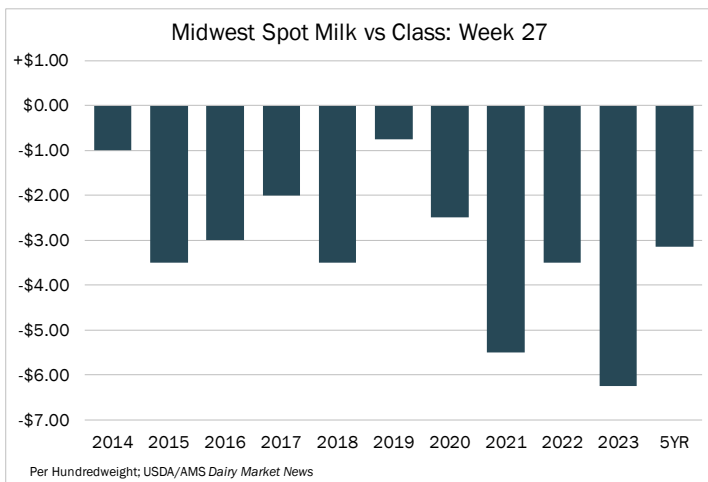


MILK PREMIUMS

July 6, 2023

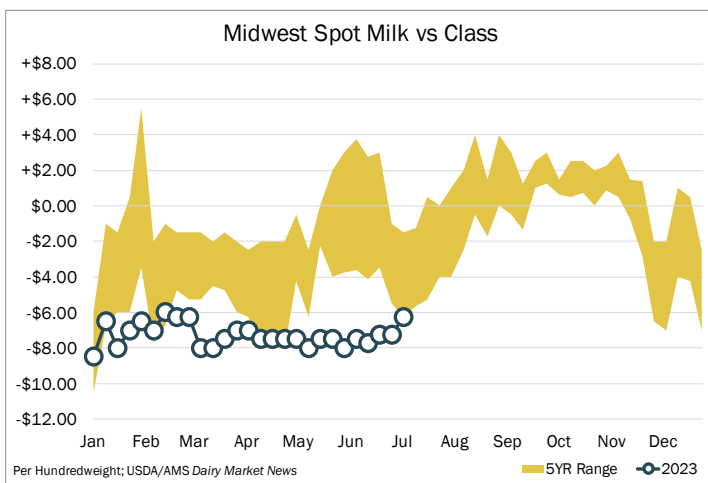


Midwest Spot			
	Low	High	Midpoint
This Week	-\$10.00	-\$2.50	-\$6.25
Last Week	-\$11.00	-\$3.50	-\$7.25
Last Year	-\$6.00	-\$1.00	-\$3.50
5-Year Avg	-\$6.00	\$0.50	-\$3.15



Here is what USDA/AMS had to say:

MIDWEST: There have been notable contrasts in milk availability from the southern areas to the northern areas of the region, but contacts' notes are starting to align this week. Temperatures in the upper Midwest are above 90 degrees, hampering farm milk yields there. Temperatures in the 90s and triple digits in southern states have been suppressing milk output since early June. Availability for bottling and milk processing remains variant throughout the region. The mid-week holiday is a notable factor in placing milk tankers at plants in the upper Midwest. Milk and cream are moving from the Midwest into the south, which has alleviated some of the glut of milk in the region. Spot milk prices into Class III production were higher, as some cheesemakers continue to report zero milk offers this week. Despite that, prices remain well below Class III, but expectations are uncertain moving into a "regular" workweek upcoming.





EAST: Milk production is variable throughout the East. Drought monitors indicate that there are still many pockets of abnormally dry areas, with other areas still experiencing moderate drought. In the Northeast, farm level milk output is steady. There are still some reports of milk being discarded throughout the Northeast. Adverse air quality blanketed the region once again but was tempered by some rain. Demand for all other Classes is unchanged. In the Mid-Atlantic states, milk output is steady-to-low. There are several areas that experienced high temperatures which hindered cow comfort and stalled farm level milk output volumes. Soft serve mixes continue to be in higher demand than hard pack ice cream products. Demand for all other Classes is steady. In the Southeast and in Florida, farm level milk output volumes are down slightly. Demand for all other Classes is unchanged. Throughout the region, Class I bottling orders are steady, as many free and reduced cost meal initiatives continue to provide plain milk and flavored milk to school aged children while the regular school season is out of session.

WEST: In California, milk production is steady to lower. Week to week decreases are noted as seasonally increasing temperatures decrease cow comfort. However, handlers relay preliminary records indicate June milk output maintained enough strength to be above anticipated levels. Handlers also relay preliminary records indicate higher June 2023 production compared to June 2022. Although the Central Valley area has some open processing capacity, farm milk supplies are balanced compared to manufacturing needs. Contracted loads had higher demand, leaving less volume for spot load purchases. Demand for all other Classes is unchanged. Farm level milk output in Arizona is lower. Recent week to week production is trending notably downward as temperatures continue to climb upward overall. Temperatures in the state reached 115 degrees this week. Volumes are available to accommodate manufacturing needs. Spot load activity is light to quiet as industry sources relay hotter and more humid conditions in the south midwestern part of the country have reduced surpluses. Demand for all Classes is steady. In New Mexico, milk production is steady to lower. Temperatures remained in the 90s and climbed to just shy of the 100 degree mark. Volumes are available to meet local handler needs. All Classes have steady demand. Farm level milk output in the Pacific Northwest is steady. Milk supplies are reportedly slightly heavy to balanced compared to production needs. Some spot sales and purchases are noted at below Class prices. All other Classes have steady demand. In the mountain states of Idaho, Utah, and Colorado milk production is steady. Milk supplies are slightly heavy to balanced compared to processing needs and cream supplies are slightly heavy in Idaho. Milk volumes in Utah and Colorado are adequate for handlers needs. Demand for all Classes is unchanged. Contracted condensed skim milk demand is steady, while spot load activity is lighter.

