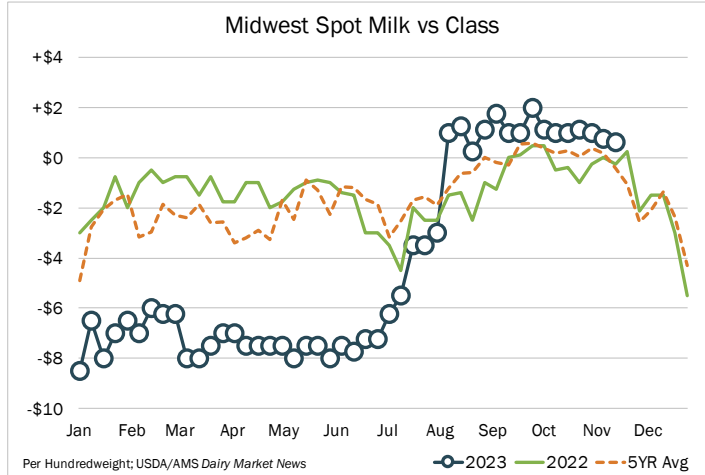
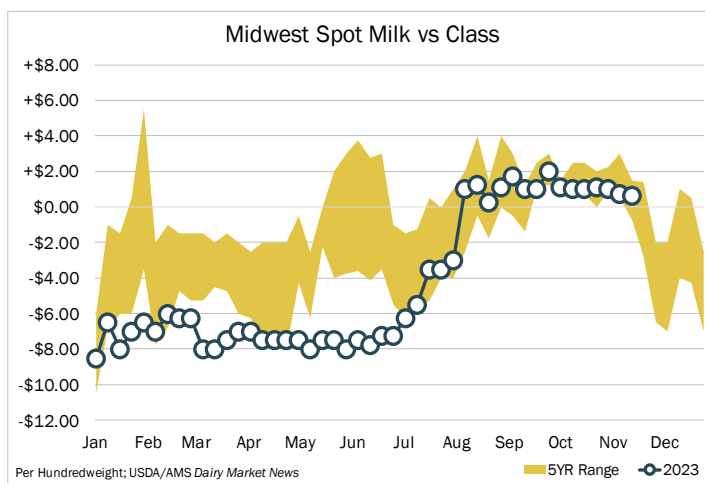
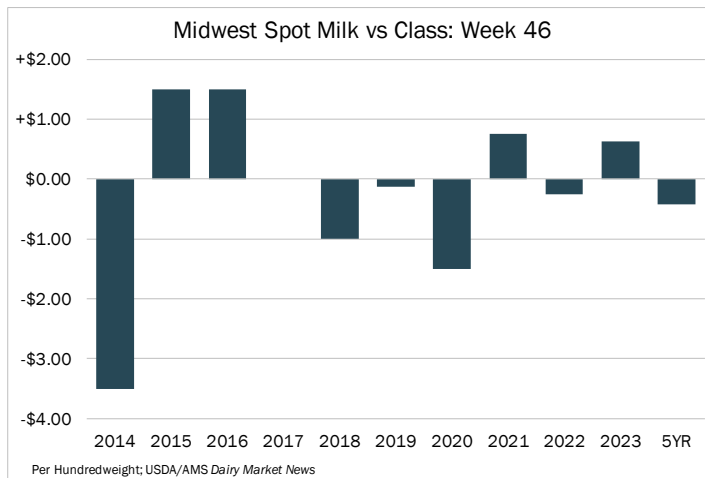


MILK PREMIUMS

November 16, 2023



Midwest Spot			
	Low	High	Midpoint
This Week	+\$0.25	+\$1.00	+\$0.63
Last Week	+\$0.25	+\$1.25	+\$0.75
Last Year	-\$1.00	+\$0.50	-\$0.25
5-Year Avg	-\$3.00	+\$1.25	+\$0.43



Here is what USDA/AMS had to say:

MIDWEST: Component levels continue to increase seasonally in the region. Upper Midwestern producers and processors say cooler weather, and more feed availability have improved milk-per-cow numbers. That said, component numbers, specifically milkfat, have improved since September. Class I milk use has remained steady, despite upcoming school downtime. Holiday-related retail ordering has likely balanced out some of the losses from school holidays. Spot milk prices into the cheese vats, though, remain exclusively above Class III. Cheesemakers say offers have yet to really pick up. Spot milk prices were reported from \$.25- to \$1-over Class III. Last year, prices were \$.50-under to \$1-over Class. Contacts have already suggested milk availability is not where it was expected for the week ahead of Thanksgiving. They say next week will likely give a better indication of milk availability, as a majority of plants will see lighter activity during the week and over the weekend.

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EAST: Farm level milk production is trending higher in the Eastern region. In the Northeast, farm level milk outputs continue to increase week over week. Strong milk volumes are available for local processing needs. Contacts relay that bottling orders have waned somewhat ahead of school closures for the holiday next week. Class III demand is notable from cream cheese processors. Demand for all other Classes is steady. In the Mid-Atlantic states, drought conditions have exacerbated wildfire concerns in Virginia. Some school closures have been reported due to the fires. Farm level milk production is steady to stronger. Class I demand has relaxed somewhat. In the Southeast, farm level milk production is trending slightly higher. The number of counties that have experienced their first frosts has grown and cow comfort is improving. Class I bottling orders are lighter. Demand for all other Classes is steady. In Florida, milk production at the farm level is trending higher. Demand for all Classes is steady. Local processing needs are being met. Processors note that Thanksgiving will necessitate the redistribution of milk supplies as demand areas have changed.

WEST: Milk output is mixed in California. Some contacts in the state report a slight decline in milk production from last week to this week, but milk output in the first half of November is up from October. Meanwhile, milk fat component levels are trending higher, following seasonal trends. Some contacts relay milk output is down compared to this time last year, but fat component levels are up. Milk volumes are available in the state to meet local processing needs. Demand is steady across all Classes. Milk production is steady in Arizona as daily temperatures in some parts of the state continue to peak in the high-80s. Milk volumes are somewhat tight in Arizona. Stakeholders suggest spot milk availability will increase at the end of this week and into next week, as some manufacturers prepare for scheduled down time for Thanksgiving. Across all Classes, demand is unchanged. Milk production is steady in New Mexico. Contacts say milk is available for spot purchasing, but volumes are not excessive. Manufacturers in the state are utilizing available milk to run steady production schedules. Demand for all Classes is holding steady this week. Contacts in the Pacific Northwest say weather has been favorable this week, contributing to increased cow comfort. Milk output in the state is steady to higher, though some contacts say production this month is below previously forecasted levels. These dairy processors say they are utilizing available spot milk volumes to operate steady production schedules. Contacts report steady demand for all Classes. Milk output is steady to higher in the mountain states of Idaho, Utah, and Colorado. In Idaho stakeholders note strengthening milk production is contributing to increased spot availability. Meanwhile, contacts in Utah and Colorado say milk volumes are well balanced with current processing needs. Some contacts anticipate a decline in milk demand ahead of the holiday next week but say demand for Class III and IV have remained strong so far this week. Contract condensed skim milk sales are steady in the West, and inventories are available in the region.

