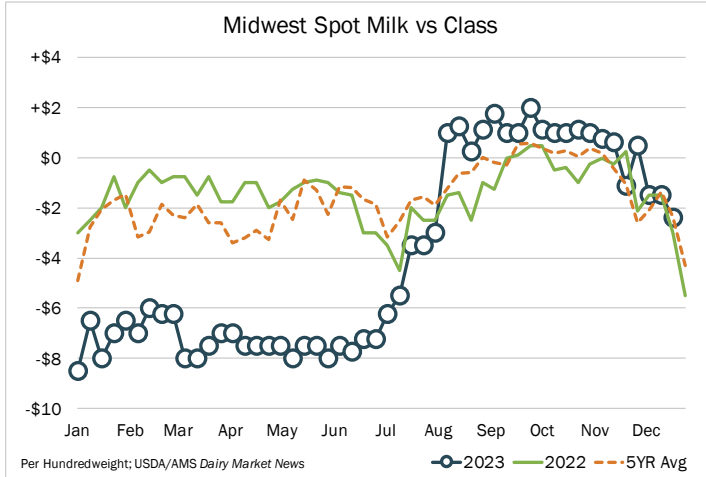
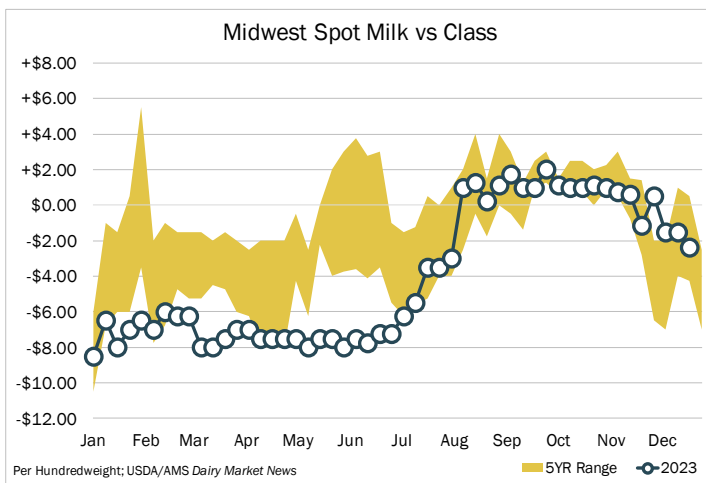
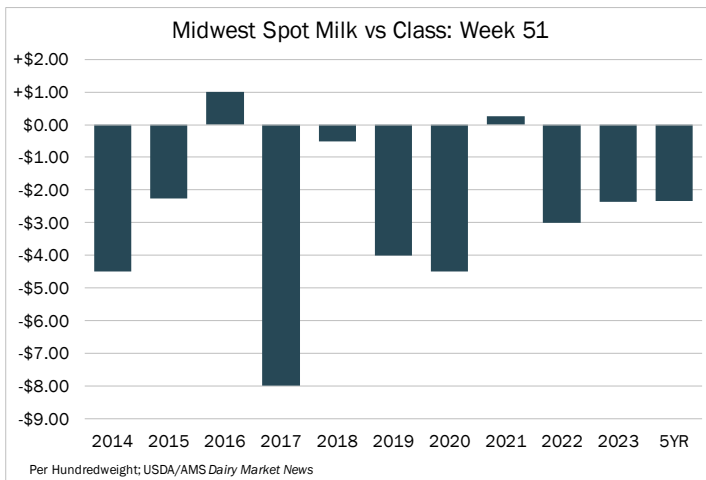


MILK PREMIUMS

December 21, 2023



Midwest Spot			
	Low	High	Midpoint
This Week	-\$5.00	+\$0.25	-\$2.38
Last Week	-\$4.00	+\$1.00	-\$1.50
Last Year	-\$6.00	\$0.00	-\$3.00
5-Year Avg	-\$8.00	+\$2.00	-\$2.35



Here is what USDA/AMS had to say:

MIDWEST: Fluid milk growth continues to be reported in the region. Late fall weather has been somewhat mild, although wetter, in the Upper Midwest. Feed quality/quantities have reportedly been seasonally hearty. Steady improvements in milkfat contents continue to be reported by farmers sharing information from their monthly reports. Class I intakes have slowed down. Retailers' holiday orders have been fulfilled by this week, while food service orders have lagged due to mid-year vacations at school districts. More milk is making its way into other channels, namely Class III plants. Cheesemakers reported spot prices as low as \$5-under Class, while some early week trades remained in last week's range at \$.25-over Class III. Milk handlers say the next two weeks will be somewhat hectic in trying to secure destinations with consecutive Monday holidays ahead. All said, milk and cream are more in line this week, as both are widely available.



EAST: Overall milk production is trending higher in the East. Contacts in the Northeast report heavy rain and flooding has hindered transportation in the area. Milk output in the Northeast is steady, though contacts in the region say high quality feed has contributed to stronger milk components. Bottling demand has declined slightly as educational institutions in the Northeast are closing for the winter holidays. Class II and III demands are steady, though some manufacturers note downtime for the end of year holidays has contributed to lighter spot interest this week. Farm level milk output is strengthening in Mid-Atlantic states. Winter breaks for educational institutions have contributed to lighter Class I demand, while demands for all other Classes are steady. In the Southeastern states, milk output is trending higher. Contacts report softening demand from Class I purchasers but say demand is unchanged for other Classes. Milk production is steady to higher in Florida, as cooling temperatures in the state are contributing to increased cow comfort. Demand is steady across all Classes.

WEST: Temperatures continued to stay near the 60-degree mark in the Central Valley of California this week. Farm level milk output is steady. Some handlers note preliminary records continue to indicate December 2023 milk production is below December 2022 milk production. Processors say milk volumes are meeting manufacturing needs. Stakeholders note spot load availability has improved. Class I demand is lighter as session breaks for educational institutions are around the corner. Demands for all other Classes are strong to steady. Temperatures in Arizona moved into the upper 70s/lower 80s for some of the week. Milk production is steady. Manufacturers relay milk volumes are available to meet processing needs. Class I demand is lighter as session breaks at educational facilities are fast approaching. All other Classes have strong to steady demand. In New Mexico, temperatures were in the 40s/mid 50s. Handlers indicate milk production is steady and enough milk is available to meet the needs of manufacturers. Class I demand is lighter with educational institutions beginning session breaks in the later part of this week. All other Classes have unchanged demand. In the Pacific Northwest, farm level milk output is steady. Handlers note a milder start to winter has contributed to more favorable cow comfort and milk volumes are on anticipated paces. No shortages of milk available for processing needs are reported. Class I demand is lighter as educational institutions throughout the area cycle into their session breaks for late December holidays. Class II, III, and IV demands are strong to steady. Milk production in the mountain states of Idaho, Utah, and Colorado is steady. Some Idaho handlers indicate week-to-week differences in milk output have flattened. Some manufacturers are indicating milk volumes are uneven compared to processing capacities, resulting in some shifting of milk volumes amongst processors. With some session breaks at educational facilities beginning, Class I demand is lighter throughout the area. Class II, III, and IV demands are unchanged.

