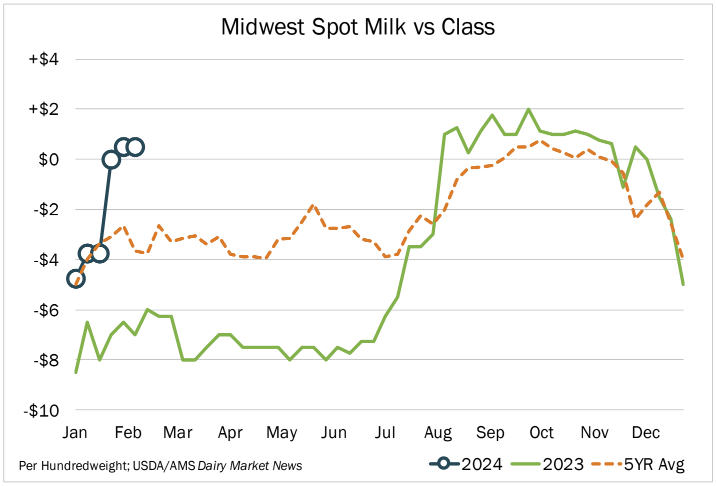
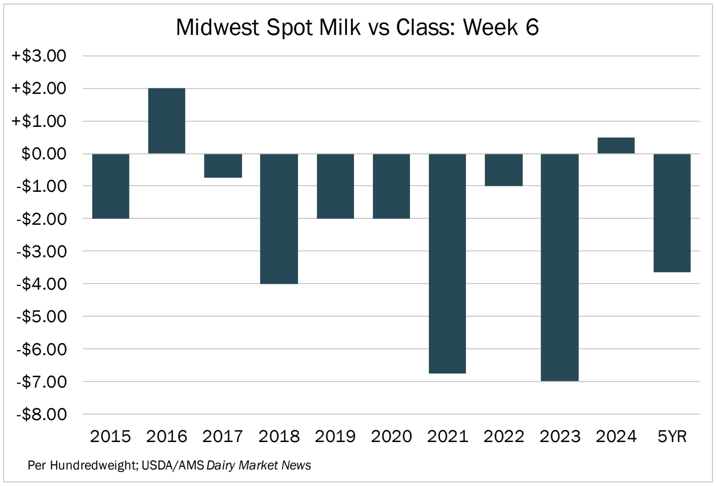
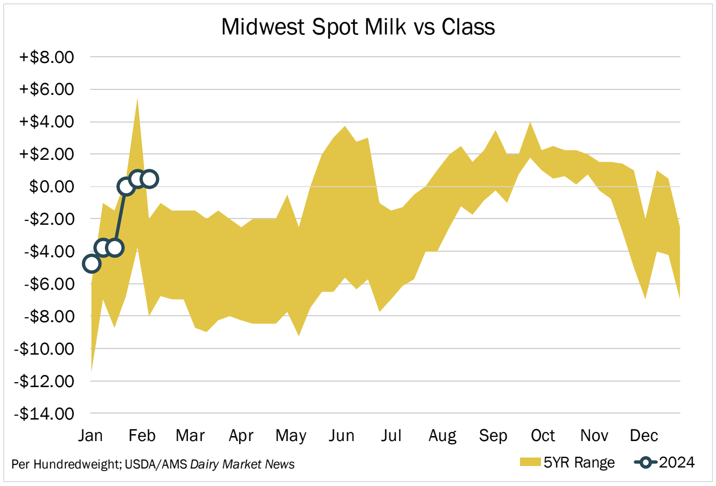
MILK PREMIUMS

February 8, 2024







Midwest Spot			
	Low	High	Midpoint
This Week	$0.00	+$1.00	+$0.50
Last Week	$0.00	+$1.00	+$0.50
Last Year	-$10.00	-$4.00	-$7.00
5-Year Avg	-$10.00	$0.00	-$3.75

Here is what USDA/AMS had to say:

MIDWEST: There is a general sentiment among Central region contacts that the 2024 milk output picture will not be in line with that of 2023. The continuation/ consistency of farm closures in the region, bolstered beef markets, and feed quality/ availability are just some of the factors contacts point to when laying out their expectations. Contacts are curious as to what flush will look like in upcoming weeks and how the fluid milk/cream markets will respond when more processing plants are online, in the region, later this year. Currently, milk output has leveled off. Improved weather conditions, particularly in regard to cow comfort, have been beneficial for milk production conditions. That said, processors continue to say milk solids are not where they were just a month ago. Bottling pulls remain steady, but some contacts note that milk is being pulled in different directions and out of the region altogether in some cases. Cheesemakers reported no notable changes in milk availability after last week's bump.

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EAST: Farm level milk production is steady throughout the East region. Contacts in the Northeast relay steady farm level milk outputs and consistent components. Some contacts share herd size reductions have lowered milk volumes considerably from this time last year. Contacts note increased interest in condensed skim and tight spot availability leading to above Class prices for loads. Demand for all Classes is steady. In the Mid-Atlantic, milk handlers have shared milk production at the farm level has held steady. Cream availability has loosened over recent weeks. Some butter processors share that they continue to sell cream on the spot market and are churning minimally. Condensed skim volumes are tighter than in recent weeks and spot overages have been reported. Demand for all Classes is steady to stronger. In the Southeast and in Florida, farm level milk outputs are seasonally steady. Class I demand is seasonally stronger. Demand for all other Classes is steady. Condensed skim availability is tight as in other pockets of the region.

WEST: In California, milk production continues to strengthen week-over-week. Handlers note year-over-year comparisons for 2024 production levels have been at-or-above 2023 production levels thus far in 2024. Processors relay impacts to dairies from recent heavy rains and strong winds have varied as some areas experienced flooding and damage to facilities, and other areas did not. Balancing plants are running stronger processing schedules. Some manufacturers indicate excess capacity at production facilities is tight for taking on additional spot loads. Class I, II, III demands are strong. Class IV demand is strong to steady. In Arizona, farm level milk output is steady to stronger. Handlers indicate cow comfort has improved compared to last week. Class I demand is strong. All other Classes have strong to steady demand. Milk production in New Mexico is steady to stronger. Handlers indicate milk volumes are meeting needs of manufacturers. Class demands are unchanged. In the Pacific Northwest, farm level milk output is trending higher. Handlers note milk volumes are slightly above anticipated levels. Processors relay weather-related disruptions were minimal this week. All Classes have strong to steady demand. Milk production in the mountain states of Idaho, Utah, and Colorado is noted as slightly weaker to slightly stronger. Some manufacturers indicate milk spot load availability has tightened in parts of the more northern mountain states area. Demand for Classes of milk are strong to steady. Stakeholders note demand for Class III milk loads from cream cheese manufacturers has strengthened.