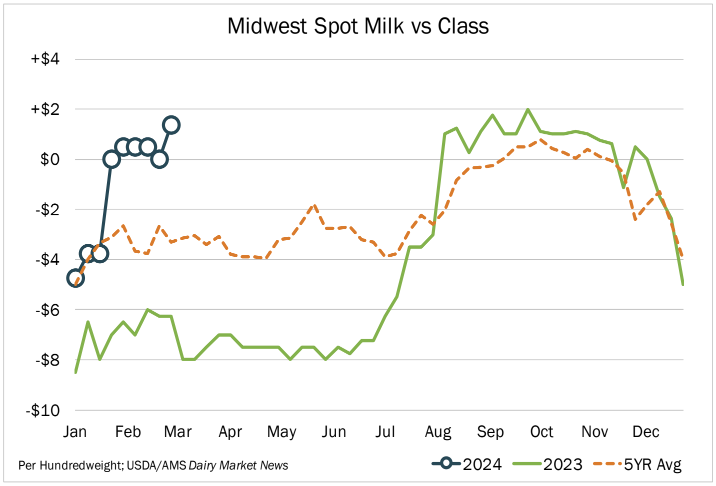
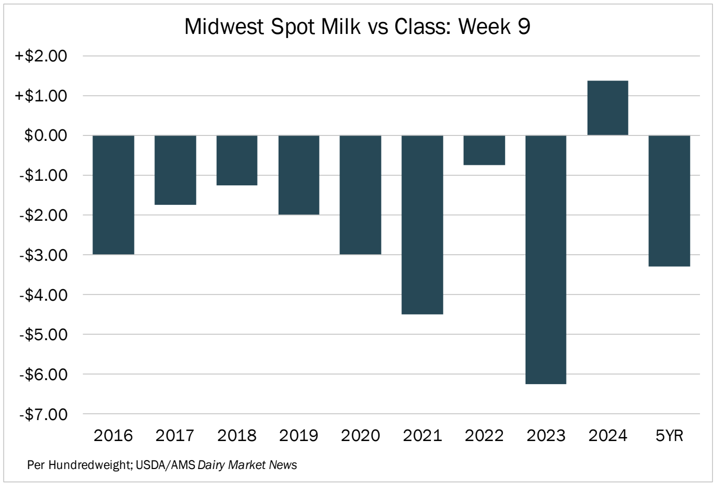
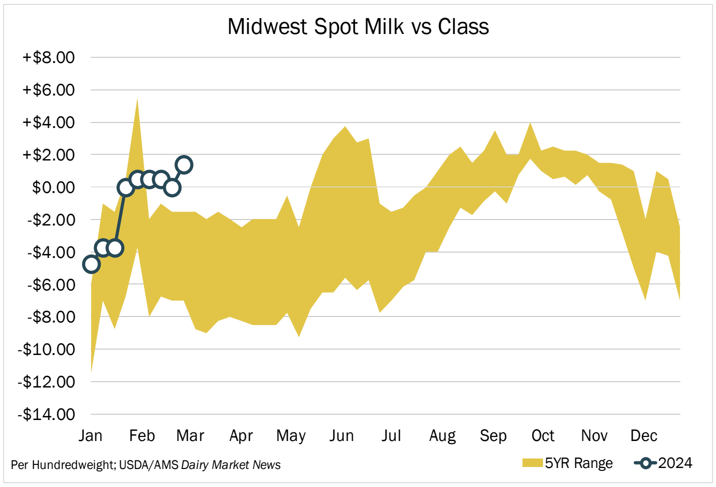
MILK PREMIUMS

February 29, 2024



Midwest Spot	Low	High	Midpoint
This Week	+$0.25	+$2.50	+$1.38
Last Week	-$0.50	+$0.50	$0.00
Last Year	-$10.00	-$2.50	-$6.25
5-Year Avg	-$10.00	$0.00	-$3.30





Here is what USDA/AMS had to say:

MIDWEST: Milk production upticks in the Midwest are being more regularly reported. Weather, has generally been somewhat cow-comfortable in the later winter weeks. Contacts relay some Upper Midwestern corn farmers have begun planting in small sections well-ahead of schedule due to mild winter weather. As spring approaches, milkfat content, particularly, has been notably strong. Class I demand is ticking lower week-over-week, and some contacts relay year-over-year numbers are also lower. Spring break related downticks in demand ahead are likely to push more milk into other processing channels. This week, though, spot milk prices into Class III plants were higher. Reported spot prices ranged from $0.25- to $2.50-over Class III. Last year, during week nine, spot prices ranged from $10- to $2.50-under Class III. Condensed skim availability is growing. With seasonal upticks in milk production and plant downtime being regularly reported, condensed skim demand is steady, but availability has increased.

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EAST: Milk production is steady to stronger throughout the East region. In the Northeast, contacts note slight increases in milk outputs at the farm level. Milk components remain strong, but week to week increases have plateaued. Condensed skim availability has increased, and, unlike recent weeks, above Class prices have not been reported. Cream availability remains ample, but contacts anticipate butterfat demand to increase in the near term. Contacts note spot milk availability is increasing as educational institutions pause Class I orders for spring break closures. Contacts in the Mid-Atlantic relay steady to stronger farm level milk production. Cream availability remains loose, but contacts note condensed skim demand remains strong as processors look towards spring holiday demands. Class I demand is following a similar trend as in the Northeast. Demand for all other Classes is unchanged. In the Southeast, farm level milk outputs are increasing. Contacts share mild weather has improved cow comfort and daily milk production. Class I demand is steady to slower. As school orders have lulled, retail bottling orders have strengthened. Some milk volumes were redirected into drying. In Florida, farm level milk production is steady. Class I demand is lighter than in recent weeks, freeing some milk supplies for demand from other Classes.

WEST: Milk production in California continues to trend seasonally higher. However, processors say week-to-week increases have been weaker recently. Stakeholders note balancing plants are running busier processing schedules. Class I demand is noted as lighter with spring breaks at educational institutions approaching. Demands for all other Classes are strong to steady. According to the California Department of Water Resources, as of February 28, 2024, water year 2023-24 statewide snowpack totals were at 80 percent of normal. In Arizona, farm level milk output is steady. However, some handlers say fat components of milk output have strengthened. Demands for all Classes are unchanged. Milk production in New Mexico is steady. Stakeholders say spot load availability of milk volumes is tighter. According to the National Agricultural Statistics Service, total milking cows for January 2024 was 240,000 compared to 282,000 for January 2023, and January 2024 had a decrease of 10,000 milking cows compared to December 2023. All Class demands are steady to strong. Farm level milk output in the Pacific Northwest is weaker recently. Some handlers say current year-over-year milk production comparisons are down. Demands from all Class manufacturers are strong to steady. In the mountain states of Idaho, Utah, and Colorado, milk production is noted as slightly higher to slightly weaker. Spot load sales up to $4 above Class III in some parts of the mountain states are indicated by processors. Stakeholders say spot loads are tighter in some parts of the mountain states. Demands from manufacturers are strong to steady for all Classes. Condensed skim milk spot load availability is looser. Condensed skim milk demand is unchanged.