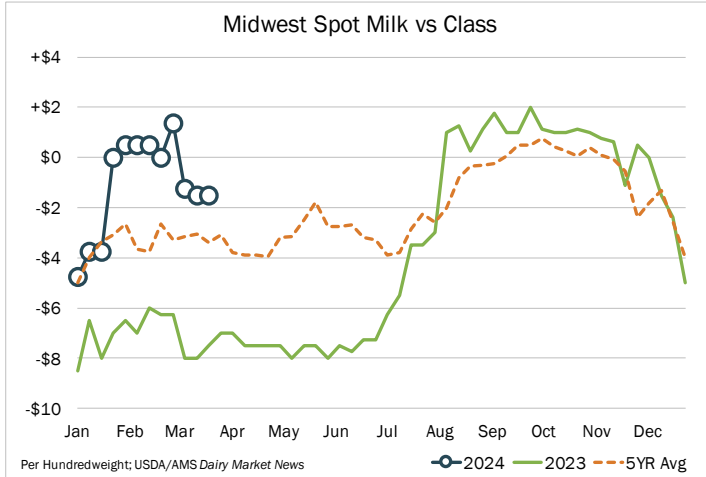
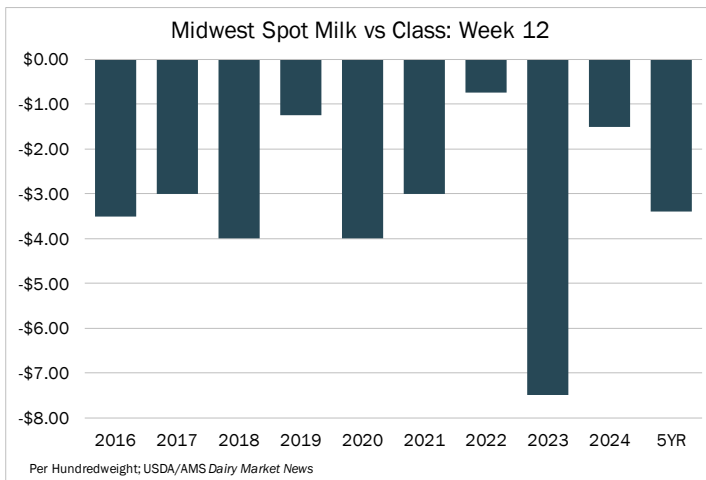


# MILK PREMIUMS

March 21, 2024

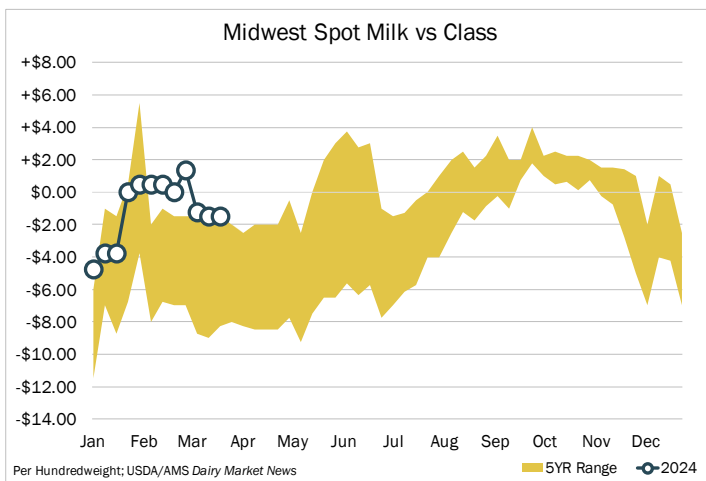


Midwest Spot			
	Low	High	Midpoint
This Week	-\$3.00	\$0.00	-\$1.50
Last Week	-\$3.50	+\$0.50	-\$1.50
Last Year	-\$11.00	-\$4.00	-\$7.50
5-Year Avg	-\$11.00	+\$0.50	-\$3.30



## Here is what USDA/AMS had to say:

**MIDWEST:** Farm level milk production is growing week over week, particularly in the upper Midwest. Class I demand is noted to be slow, and both school breaks and planned downtime for spring holidays have considerably loosened already ample milk availability. Several processors in the upper Midwest share that their Class III plants are at capacity. Contacts shared that spot milk offers as low as \$6-under Class III were reported, with most spot loads trading within the \$3-under to flat market range. Contacts note cream is readily available, and demand has firmed somewhat over recent weeks. Midwestern butter plant managers relay mixed production schedules with some churning and micro-fixing in order to meet spring holiday and later-in-the-year demands. Condensed skim supplies are ample, and contacts share demand is stronger from Class III processors. Some cheese plants are fortifying cheese protein content with the addition of skim milk in manufacturing.





**EAST:** Farm level milk outputs continue to trend higher in the East. Contacts in the Northeast share milk production remains strong. Condensed skim availability has loosened over recent weeks, due to plant downtime and school closures, with some spot prices reported \$10-under Class. Class I demand is noted to be weaker in the Northeast. In the Mid-Atlantic, farm level milk outputs are noted to be strong. Class I demand remains weak, namely as schools are closed for spring breaks. Class II demand is strengthening. Contacts share milk production in the Southeast continues to climb week over week. Class I sales are strong in the area, which contacts share is part of an upward trend they have seen for the past several weeks. Class II demand is strong. In Florida, contacts note an upward trend in farm level milk outputs. Class I demand is following a similar trend to other areas in the region, which contacts suggest may persist due to upcoming spring holidays. Demand for all other Classes is unchanged from recent weeks.

**WEST:** In California, milk production is strengthening. Contacts say balancing plants are busy with heavier volumes to work through. Processors convey open processing capacity in the Central Valley is tight due to multiple extended unplanned downtimes at some plants going through system changeovers/upgrades. Processors say several manufacturing facilities are at full capacity. Contacts note spot milk load sales at flat pricing. Class I demand is lighter with educational facilities cycling through their spring breaks over the next few weeks. Class II, III, and IV demands are strong to steady. According to the California Department of Water Resources, as of March 19, 2024, the state has received 0.61 inches of precipitation above the historical mean during the 2023-24 water year thus far, and reservoir levels are above the historical average. Milk production in Arizona is trending seasonally higher. Handlers note spot load availability is tight. Demands for all Classes are strong to steady. In New Mexico, milk production is stronger. Processors convey milk volumes are meeting production schedule needs and surplus milk volumes are tight. With approaching session breaks at educational facilities, Class I demand is lighter. All other Class demands are strong to steady. Handlers in the Pacific Northwest convey farm level milk output is strengthening. Manufacturers note plentiful to ample milk volumes available for production needs. Demands are strong to steady for all Class manufacturers. Handlers in the Pacific Northwest convey farm level milk output is strengthening. Manufacturers note plentiful to ample milk volumes available for production needs. Demands are strong to steady for all Class manufacturers. Milk production in the mountain states of Idaho, Utah, and Colorado, is noted as steady to stronger. Some industry participants say milk volumes from week-to-week have been good, but overall, milk volumes are tighter than a year ago. Class demands are unchanged.

