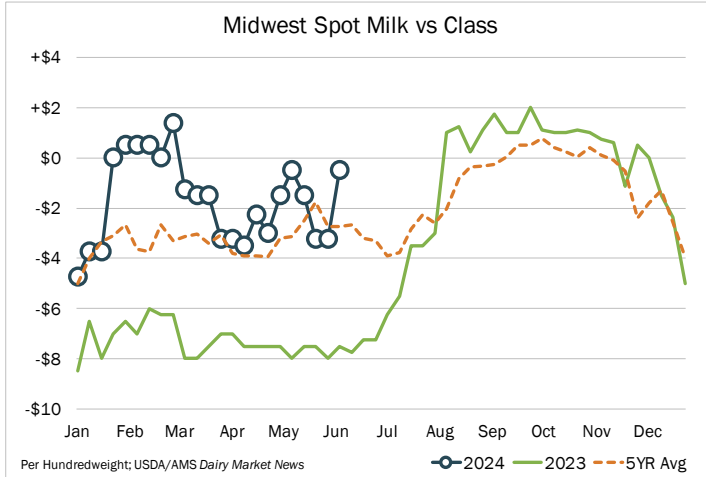


MILK PREMIUMS

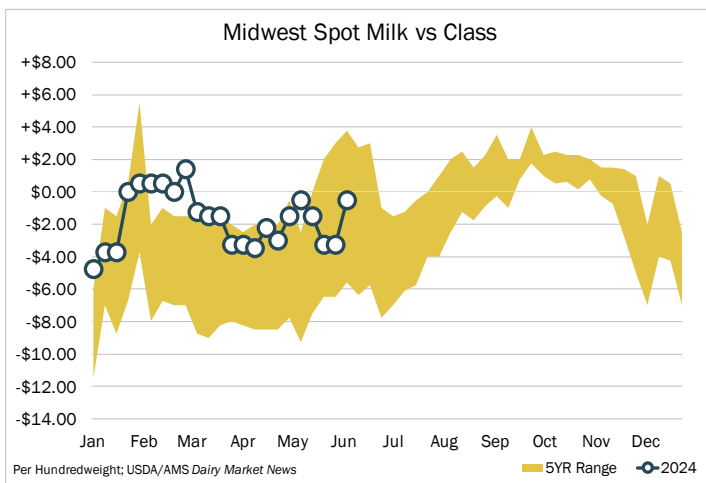
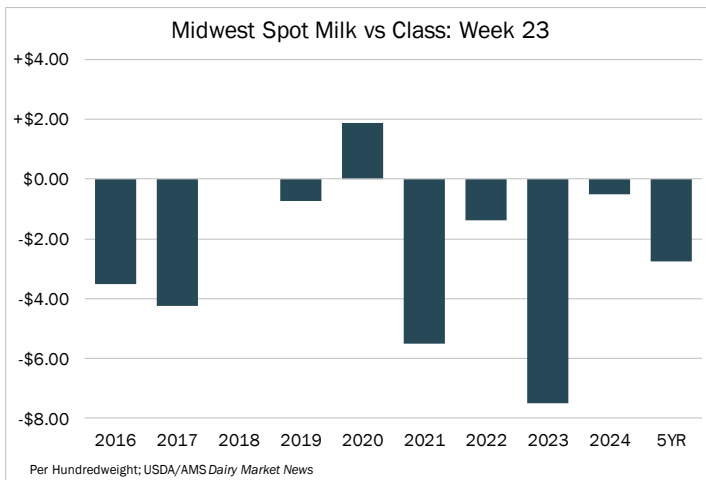
June 6, 2024



Midwest Spot			
	Low	High	Midpoint
This Week	-\$2.00	+\$1.00	-\$0.50
Last Week	-\$6.00	-\$0.50	-\$3.25
Last Year	-\$11.00	-\$4.00	-\$7.50
5-Year Avg	-\$11.00	+\$3.00	-\$2.65

Here is what USDA/AMS had to say:

MIDWEST: Cow comfort in the Central region is being tested this week by varying conditions. In the south, high temperatures and heavy rainfall are putting a seasonal crimp on output. Precipitation is also playing a role in the Upper Midwest, but temperatures have yet to take hold at summer-like levels for the most part in the northern states of the region. Component level shifts have been noted for several weeks. Some contacts say they have seen slightly lower components, while others have said decreases are more noticeable. Bottling orders have seasonally quieted throughout the region. That said, despite the previous holiday week's milk availability boost, Class III spot milk prices moved higher this week on the bottom of the range. Reported spot milk prices ranged from \$2- to \$1-under Class III. Condensed skim availability has mirrored that of spot milk. Skim handlers relay that as demand has pushed higher, availability is moving lower.



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EAST: Farm level milk production is trending flat to lower throughout the East region. Contacts in the Northeast relay farm level milk outputs are flat. With warmer weather on the horizon, however, contacts anticipate lower outputs at the farm level in the coming weeks. Condensed skim is generally available and demand, namely from cheese manufacturers, is steady. Class I demand is lighter week over week. In the Mid-Atlantic, farm level milk production is trending flat. Spot loads of condensed skim are available for end users. Class I demand is lighter than recent weeks. Class II demand is steady. Southeastern contacts share flat milk outputs at the farm level. Demand for condensed skim is stronger than in recent weeks. Class I demand is weaker. Class II demand is steady to stronger. In Florida, milk production is trending down as temperatures increase. Class I demand is lighter week over week as schools are out for summer breaks.

WEST: In California, milk production is weaker. Industry participants say rising heat levels are contributing to more pronounced week-to-week decreases in milk production. Handlers report preliminary records indicate May 2024 milk production is down compared to May 2023 milk production and below anticipated milk volumes. Spot milk availability is tightening. Some plant managers indicate securing needed milk volumes is more challenging recently. Class I demand is lighter as many school districts have started summer breaks. Class II, III, and IV demands are steady. Milk production in Arizona is weaker. Handlers say rising heat indexes are contributing to larger week-to-week decreases in milk production. Processors convey milk availability in the state is tighter and some concerns of milk availability are growing. All Class manufacturing demands are steady. Farm level milk output in New Mexico is trending weaker. However, no shortages are noted by processors. Demands for all Classes are steady. In the Pacific Northwest, farm level milk output is reported as steady or slightly weaker. Handlers convey milk output is on the downward side of spring production trends. That said, handlers also note week-to-week milk production differences are not heavily pronounced yet. Class I, II, III, and IV demands are steady. Milk production in the mountain states of Idaho, Utah, and Colorado is noted as steady or trending slightly weaker. Handlers convey Colorado milk production is starting the downward portion of the spring production curve for this year. Stakeholders convey milk volumes are comfortable compared to processing capacities and needs. Class I demand is lighter as educational institutions start seasonal breaks. All other Class demands are steady.

