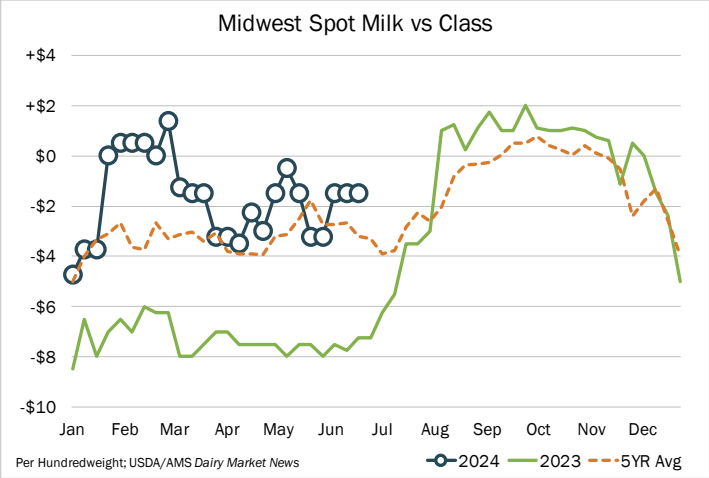
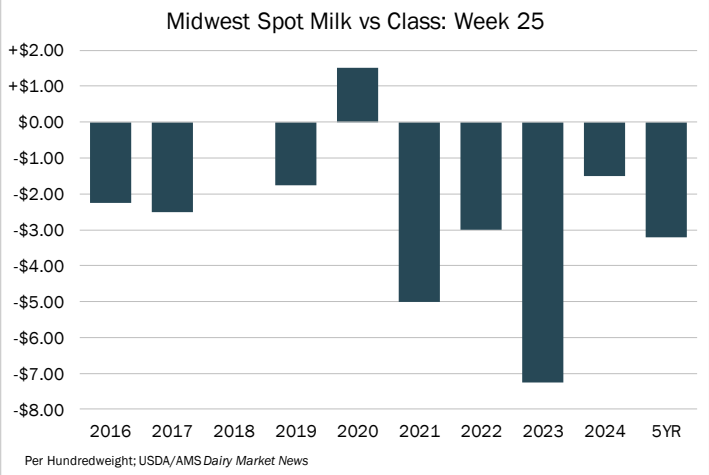
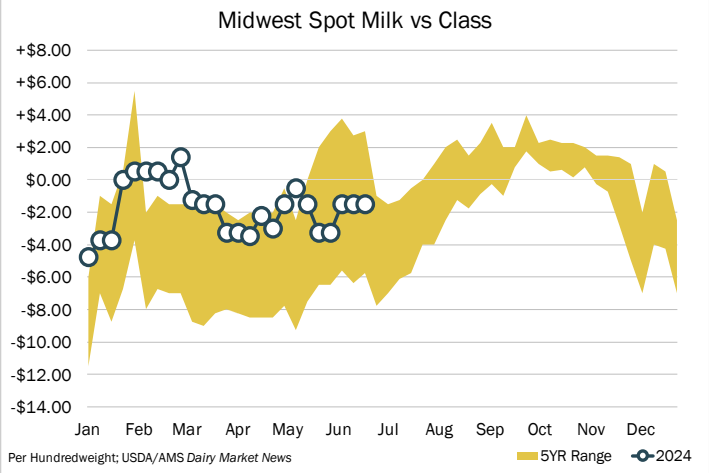
MILK PREMIUMS

June 20, 2024







Midwest Spot			
	Low	High	Midpoint
This Week	-$2.00	-$1.00	-$1.50
Last Week	-$2.00	-$1.00	-$1.50
Last Year	-$11.00	-$3.50	-$7.25
5-Year Avg	-$11.00	+$2.50	-$3.10

Here is what USDA/AMS had to say:

MIDWEST: Central fluid milk output continues to see seasonal decreases across the region. As summer looms, summer-like temperatures have begun to affect more areas of the region, but particularly the southern area. Regular rainfall in the Midwest has contacts and farmers there suggesting humidity is playing a part in creating less-than-ideal cow comfortability. Milk production reports from that area, though, are not as positive. Texas heat has come on strong. Both milk and cream availability in Texas and the surrounding states have dropped since late May. In the Midwest, though, cheesemakers are finding spot milk loads at $2- and $1-under Class III again this week. Some, though, say offers have quieted in the past few weeks, and they are awaiting the Independence Day week to look to secure extra loads. When compared to last year, when spot milk prices ranged from $11- to $3.50 under Class, 2024 is proving to be a much more balanced year regarding overall milk availability.

135 S. Lasalle St. • Suite 3400 • Chicago, IL 60603 • 312-492-4200 • Insights@Ever.Ag

EAST: Farm level milk production is variable throughout the East region. In the Northeast, contacts share steady milk production. Contacts relay current milk production levels are higher than anticipated for this time of year. Seasonally steady milk outputs, various handling obstacles, and lighter than expected Class I sales led the Northeast Federal Milk Marketing Order to allow for the temporary discarding of surplus milk through July 7, 2024. Class III demand is steady to stronger. Cream availability is not as tight in the Northeast as in other areas of the region. In the Mid-Atlantic, contacts share flat milk output at the farm level. Contacts share they have not had issues finding end uses for milk, despite light Class I sales. Cream supplies are very tight and spot load availability is limited. Class II demand is steady. Contacts in the Southeast relay flat farm level milk production. Class I demand remains weak, while Class II demand is steady. In Florida, farm level milk outputs are trending lower. Class I demand is light. Demand for all other Classes is unchanged.

WEST: In California, milk production is trending weaker. Handlers convey week-to-week differences are more pronounced. Some stakeholders convey current milk output is slightly below anticipated volumes. Some handlers report preliminary records indicate June 2024 year over-year milk production is down. Industry participants note cooler evening temperatures are giving some relief to the impacts of triple digit daytime temperatures on farm level milk output. Spot milk availability is tight. Stakeholders indicate most spot milk loads in the state are due to unplanned downtime. Class I demand is steady. Demands for Class II, III, and IV, are stronger, especially for Class III milk. Milk production in Arizona is seasonally weaker. Spot milk load availability is tighter. Class I demand is steady. All other Class demands are strengthening. Farm level milk output in New Mexico is weaker. Although availability of spot milk continues to tighten, milk volumes are generally meeting processing needs. All Class demands are steady. In the Pacific Northwest, handlers report steady or lighter farm level milk output. Stakeholders indicate spot milk load availability is ample for processing needs. All Class manufacturing demands are steady. Milk production in the mountain states of Idaho, Utah, and Colorado varies from steady to lighter. Handlers in Idaho indicate spring flush has been less pronounced in 2024 thus far. Stakeholders convey spot milk load availability has been tighter due to equipment breakdowns causing some milk handling challenges. Class I, II, and IV demands are steady. Class III demand is stronger.