MILK PREMIUMS

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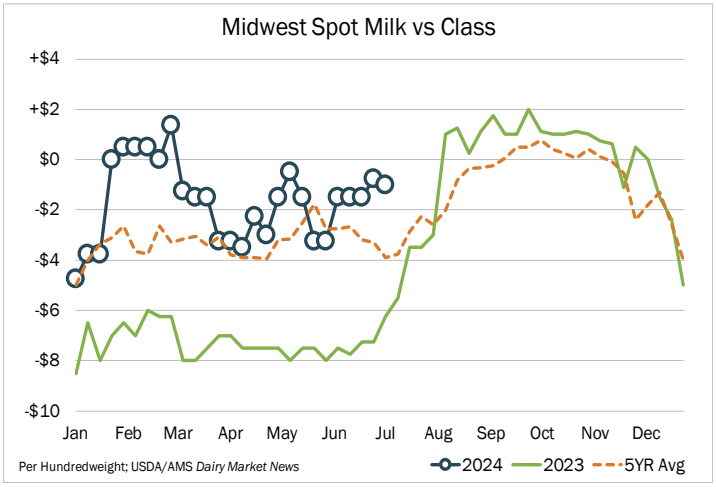
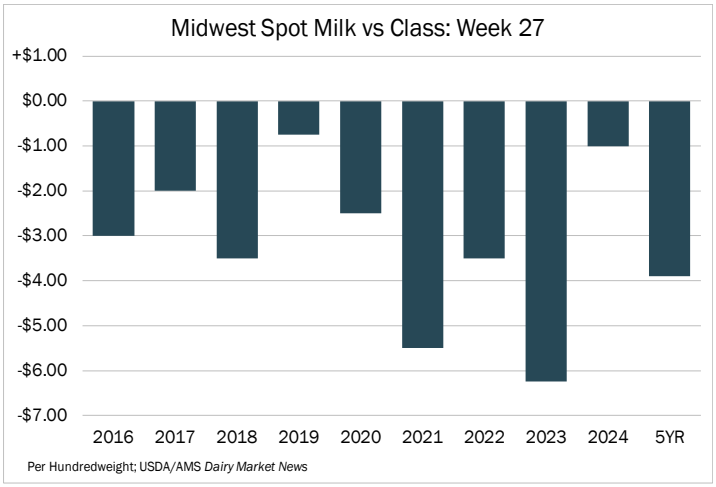
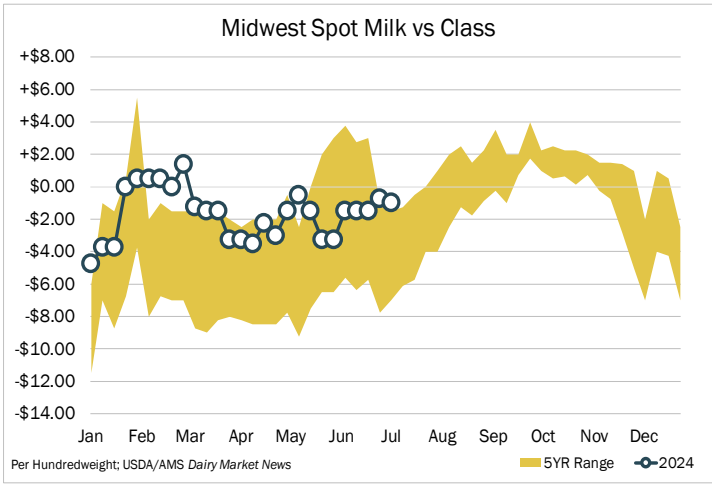
July 5, 2024







Midwest Spot			
	Low	High	Midpoint
This Week	-$2.00	$0.00	-$1.00
Last Week	-$1.50	$0.00	-$0.75
Last Year	-$10.00	-$2.50	-$6.25
5-Year Avg	-$10.00	+$0.50	-$3.90

Here is what USDA/AMS had to say:

MIDWEST: As parts of the Upper Midwest and Northern Plains continue to get nearly daily rainfalls with more in the forecast, further feed limitations are expected at the farm level. Some farmers in those areas have yet to receive first cut hay due to unworkably wet field conditions. In the southern states in the region, heat advisories are and have been in place as temperatures are well above the 100 degree mark. All said, milk and components are continuing to slide downward, but at what some say are well more than typical/seasonal rates. Further evidence of component drops are what processors have been reporting. Multiple cheesemakers relayed receiving zero spot offers of milk, which is not atypical during a normal week, but nearly unheard of during a week involving a national holiday. Those who did receive spot milk offers reported purchasing prices at the same range as last week: from $2-under to flat Class. Last year's price range during week 27 was $10 -under to $2.50-under Class III.

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EAST: Farm level milk outputs are variable in the East region. In the Northeast, contacts share farm level milk outputs are trending flat. Due to the upcoming Independence Day holiday, spot loads of condensed skim and cream are more readily available than in recent weeks. Class II manufacturing is steady. Class III manufacturing is in line with recent weeks. Demand for other Classes is unchanged. In the Mid Atlantic, farm level milk production is steady to lower. High temperatures have adversely affected cow comfort and have stalled milk production. Class II manufacturing is seasonally steady. Demand for all other Classes is steady. In the Southeast and in Florida, farm level milk output volumes range from steady to lighter. Class II demand is steady. Demand for all other Classes is in line with recent weeks.

WEST: In California, milk production is weaker. Handlers convey daytime temperatures into the 110s and higher evening temperatures this week will likely negatively impact cow comfort and milk production. Handlers note preliminary records indicate June 2024 year-over-year milk production is down. Some stakeholders indicate June 2024 milk production was slightly below anticipated volumes. Spot sales slightly below Class III pricing are reported. Some manufacturers note unplanned downtime has slowed some milk processing in the state. Demands for all Classes are steady. Milk production in Arizona is trending weaker. All Class demands are steady. Farm level milk output in New Mexico is seasonally weaker. According to the latest milk production report by the National Agricultural Statistics Service, the state had 238,000 milk cows in May 2024 compared to 280,000 milk cows in May 2023, and produced 516 million pounds of milk in May 2024 compared to 605 million pounds of milk in May 2023. Amongst the 24 states listed in the report, New Mexico had the biggest decrease on a percentage basis when comparing May 2024 milk production to May 2023 milk production. All Class manufacturing demands are steady. Handlers in the Pacific Northwest report farm level milk output is seasonally lighter. However, handlers also report recent milk volumes to be at anticipated figures. Manufacturers convey milk volumes are meeting needs. Class I, II, III, and IV demands are steady. Milk production in the mountain states varies from steady to weaker. Some spot load sales within the mountain states are reported. However, spot load availability is generally tighter, particularly for Idaho and Utah. Class III demand is stronger. All other Class demands are steady.