MILK PREMIUMS

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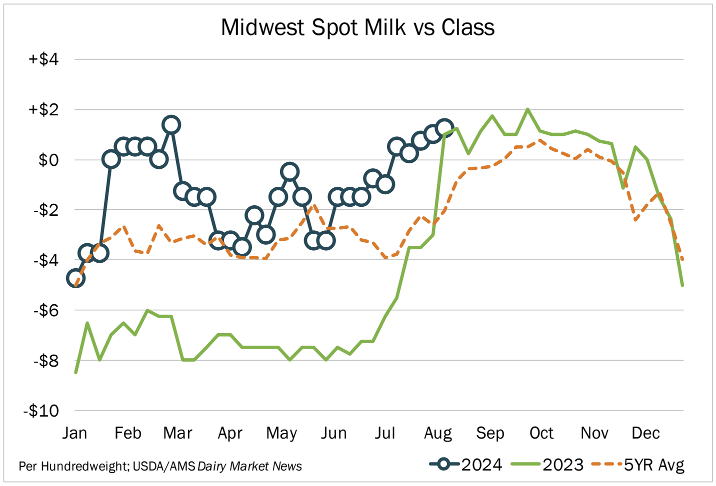
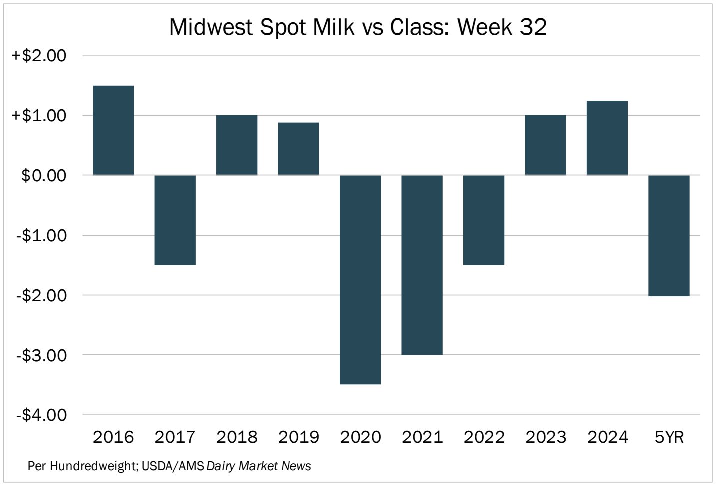
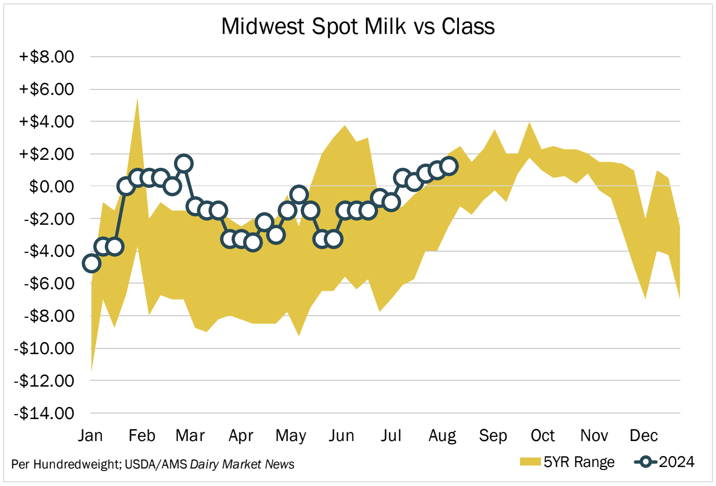
August 8, 2024



Midwest Spot			
	Low	High	Midpoint
This Week	+$0.50	+$2.00	+$1.25
Last Week	$0.00	+$2.00	+$1.00
Last Year	$0.00	+$2.00	+$1.00
5-Year Avg	-$5.00	+$2.00	-$2.03





Here is what USDA/AMS had to say:

MIDWEST: Central region contacts share much of the same regarding seasonal milk output downticks. In the Upper Midwest, hotter recent temperatures and high humidity have kept cow comfort/milk levels at or near annual lulls. Adding to general milk availability concerns are Class I demand increases in areas of the region facing seasonally debilitating heat. Schools in the southern states of the region are reopening for the 2024/2025 schoolyears as early as this week, and many more are beginning in the next two weeks. A growing number of milk tankers leaving farms in the Upper Midwest and Midwest are headed south. Milk handlers share that next week will likely be the high watermark in that seasonal accommodation. Cheesemakers in the Upper Midwest say spot milk is tight to nonexistent. A number have said neighboring processors are calling them seeking out extra milk, but there is none to offer.

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EAST: Farm level milk production continues to trend steady to lower throughout the East region. Contacts in the Northeast share farm level milk outputs are lighter week over week. Contacts share spot loads of condensed skim continue to tighten. Class II and III cream demand remains strong. Class IV processing remains light due to light milk outputs. In the Mid-Atlantic, farm level milk outputs are tighter week over week. High heat and humidity continue to affect cow comfort. Class II processing is noted to be lighter as contacts share ice cream production is seasonally lighter. Contacts in the Southeast and Florida share steady to lighter farm level milk production. Contacts share some processors are bringing in spot loads of milk from other areas of the country. Class I bottling orders are expected to increase in the near term as schools are scheduled to restart in the coming weeks.

WEST: In California, milk production is trending weaker. Some handlers convey higher temperatures continue to take a toll on cow comfort and milk output. Stakeholders indicate spot milk loads are tight. Processors in the Central Valley note milk volumes are generally comfortable compared to plant capacities. All Class demands are steady. According to the California Department of Water Resources, as of August 6, 2024, the estimated total statewide reservoir storage was 28.30 million acre feet, which represents 114 percent in terms of historical average. According to the California Department of Water Resources, as of August 5, 2024, statewide precipitation has been 23.41 inches for the 2023-24 Water Year, up 0.36 inches from the historical mean. Farm level milk output is also trending weaker in Arizona. Tight spot milk availability continues in the state. Demands are steady for all Classes. In New Mexico, milk production is seasonally lighter. Processors convey spot milk loads continue to remain tight. Class IV demand is lighter. All other Class demands are steady. Milk production in the Pacific Northwest is mostly steady. However, a few handlers convey in-network farm level milk output is slightly increasing. Class II demand is lighter. Class I, III, and IV demands are steady. Handlers in the mountain states of Idaho, Utah, and Colorado, indicate farm level milk output varies from steady to weaker. Manufacturers convey milk volumes are adequately meeting processing needs. All Class manufacturing demands are steady.