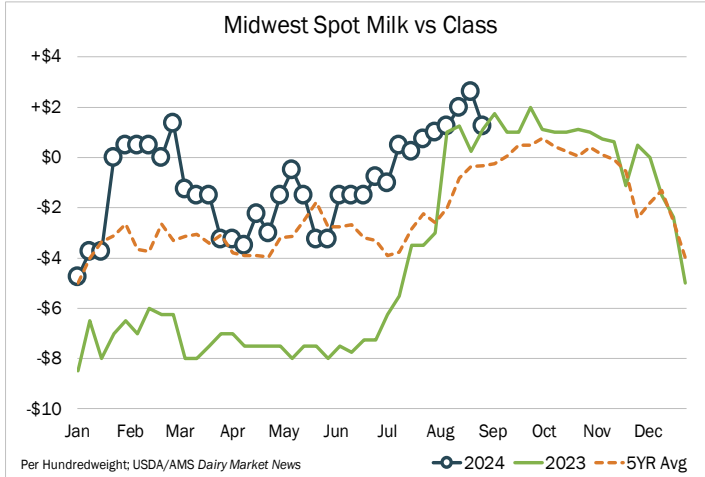
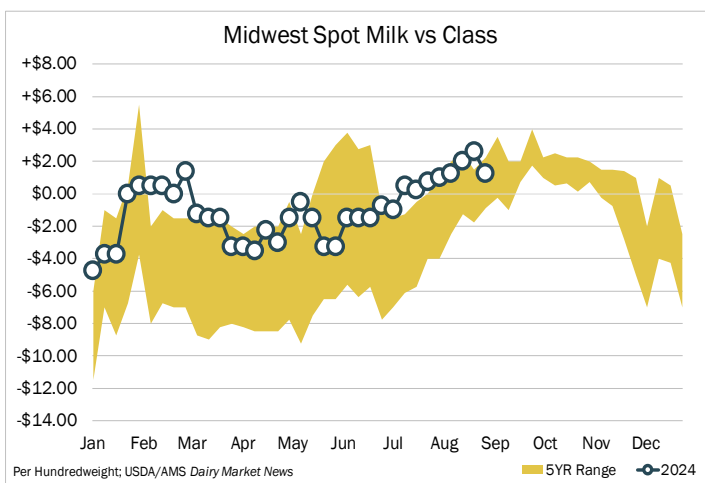
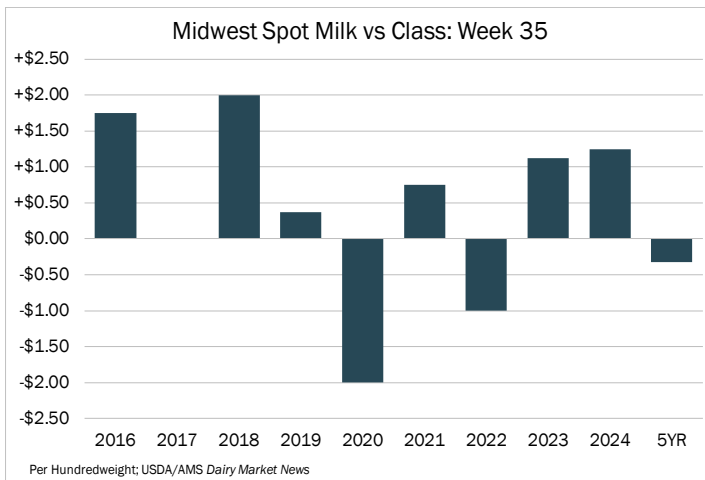


MILK PREMIUMS

August 29, 2024



Midwest Spot			
	Low	High	Midpoint
This Week	\$0.00	+\$2.50	+\$1.25
Last Week	+\$2.25	+\$3.00	+\$2.63
Last Year	+\$0.25	+\$2.00	+\$1.13
5-Year Avg	-\$5.00	+\$2.00	-\$0.33



Here is what USDA/AMS had to say:

MIDWEST: Hot and humid days in the Upper Midwest have grown less frequent in recent weeks, boding well for cow comfort. Feed availability, though, is growing as a topic du jour in the dairy industry. As corn prices are notably favorable for dairy producers, and milk check prices move higher, some dairy farmers are looking to expand operations. At the same time, some fluid milk contacts say more dairy farmers are moving away from milking as they benefit from the bullish beef markets. Class I demand is nearing its seasonal peak, as schools throughout the region will be opening within a week's time, although most are already running. Despite this, cheesemakers say they are getting more offers of spot milk this week, likely due to the Labor Day weekend ahead. The bigger question is how the milk and cream outlook will be during week 37, when the dust has settled on the holiday effect. Contacts have mixed views on the subject.



EAST: Milk production across the East region is seasonally trending lower. That said, milk handlers are shifting loads around for the upcoming Labor Day holiday weekend and some of the school milk pipeline is getting filled, giving the feel of a little more milk and cream available for processing. In the Northeast, milk production continues to ebb seasonally. Schools opening on either side of the Labor Day holiday are still pulling extra milk into Class I bottling, but the school milk pipeline capacity is gradually getting filled. Demand from Class II and III processors is stable. Condensed skim availability is snug. Some contacts relay that although cream availability is still relatively tight, it has loosened slightly due to the holiday and cream coming off the school bottling lines. In the Mid-Atlantic region, farm milk output is at seasonally lower levels. Class I processing is solid, and Class II and III demand is steady to lighter. Farm milk output is stable in the Southeast and Florida. There is still some influx of milk from other regions to fill Class I bottling needs.

WEST: Some contacts in California report year-over-year and monthly milk output upticks, but the overall supply situation remains somewhat snug. Summer heat is playing a notable role in parts of the Central Valley as cow comfort continues to improve in much of the Golden State. Spot milk availability for processors has been scant, due to the aforementioned seasonal conditions, plus the pull from bottlers as they replenish school pipelines. In the southwestern states, hot weather continues to keep milk solids near annual lows. Triple-digit temperatures are still a regular part of the forecast in Arizona. In New Mexico, although it has cooled some, days are still hitting the 90+ degree mark regularly. The Pacific Northwest remains an exception to the norm in the West. High temperatures in the 70s and cool nights have kept milk production steady in that area of the region. Milk solids are also reportedly in much better shape. Contacts in Idaho reported some cooler days have been intermittent, but they are expecting rebounds in farm milk output over the next few weeks with likely improvements in cow comfort. Condensed skim availability has been tighter since the beginning of the month, but demand tones are somewhat robust. Contacts say Class III and Class IV condensed skim end users are actively bidding.

