MILK PREMIUMS

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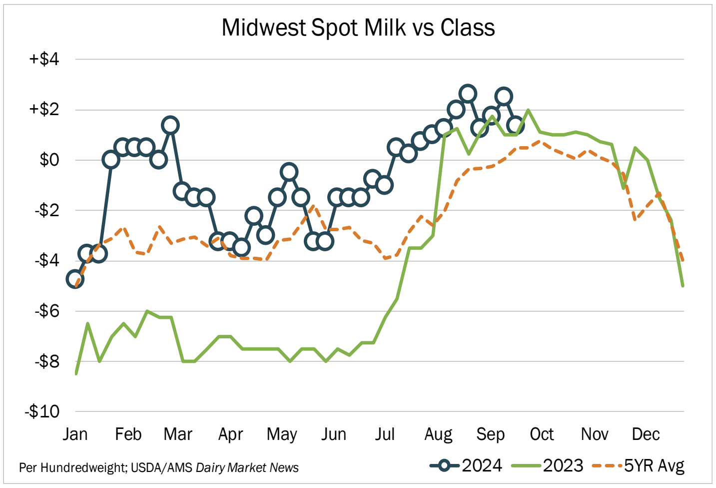
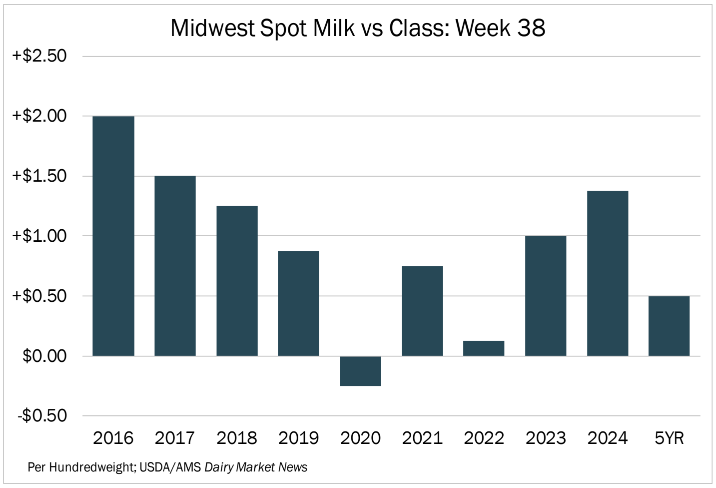
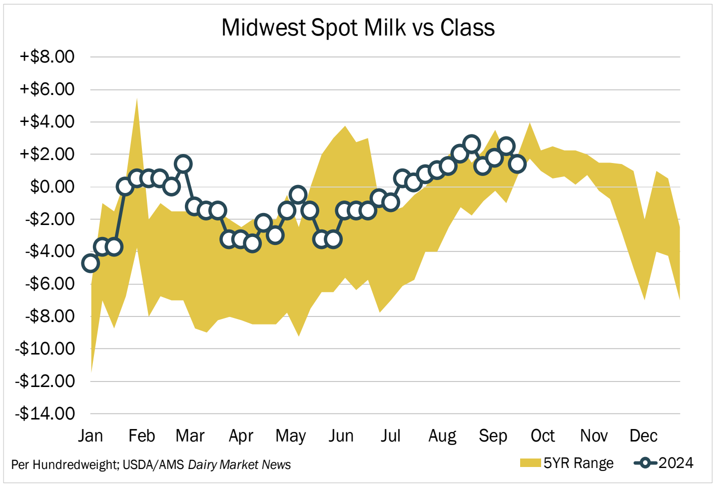
September 19, 2024







Midwest Spot	Low	High	Midpoint
This Week	-$0.75	+$3.50	+$1.38
Last Week	+$1.00	+$4.00	+$2.50
Last Year	+$0.50	+$1.50	+$1.00
5-Year Avg	-$2.00	+$1.50	+$0.50

Here is what USDA/AMS had to say:

MIDWEST: Summer temperatures are continuing to keep farm milk output lighter in the region. Some Midwestern farmer contacts say daytime temperatures nearing or at 90 degrees have caught them somewhat off guard, but they say cooler nighttime temperatures are improving cow comfort. Component levels continue to show improvements from previous years' levels in the Midwest. In the South, there are still triple-digit temperatures. Contacts there note an expected cooldown next week may start to provide improved cow comfort levels. Spot milk availability varied some this week. As Class I intakes remain near their seasonal peak, processors report multiple plants being down for maintenance/updates, therefore location is playing a large role in a widening spot milk price gap. Spots were reported at $.75 -under Class III up to $3.50-over Class. Silage harvest is underway, and corn crops in the Midwest are noted as somewhat healthy at report time with dry and warm weather.

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EAST: Farm level milk production is trending seasonally steady to lower throughout the East. Milk handlers in the Northeast relay seasonally steady farm level milk production. Spot milk loads remain scarce as Class I demand is strong. Demand from Class II and Class III processors is robust. Contacts in the Mid-Atlantic share steady farm level milk outputs. Class I activity continues to temper milk volumes available for Classes II, III, and IV. Contacts in both the Southeast and Florida share seasonally steady to lighter milk production. Class I processing remains robust but continues to limit milk available for other manufacturing needs.

WEST: In California, milk production has been trending weaker recently. Handlers indicate September 2024 milk output is above September 2023 milk output, but below anticipated volumes and down compared to last month. Stakeholders convey spot milk loads can be found for buyers looking to fill needs, but spot milk loads are not abundant. Class III demands are strong. All other Class demands are steady. According to the California Department of Water Resources, as of September 17, 2024, the state precipitation total for the 2023-24 Water Year, which ends on September 30, 2024, is 23.74 inches. The current precipitation total is .27 inches above the historical mean. According to the California Department of Water Resources, as of September 18, 2024, the estimated total statewide reservoir storage is 25.00 million- acre feet, which is 114 percent of the historical average for the month. Farm level milk output is steady in Arizona. Stakeholders describe milk volumes as tight. All Class manufacturing demands are steady. Milk production in New Mexico is noted as stronger. However, milk volumes remain tight in this part of the southwest as well. Demands for all Classes are steady. Handlers in the Pacific Northwest indicate steady or stronger milk production. Manufacturers convey milk volumes are meeting processing needs. Spot milk availability is tighter this week. Class I demand is stronger. Class II, III, and IV demands are steady. Farm level milk output in the mountain states of Idaho, Utah, and Colorado varies from steady to stronger. Stakeholders suggest looser availability of spot milk loads this week. Manufacturers suggest milk volumes are healthy compared to production needs. All Class demands are unchanged.