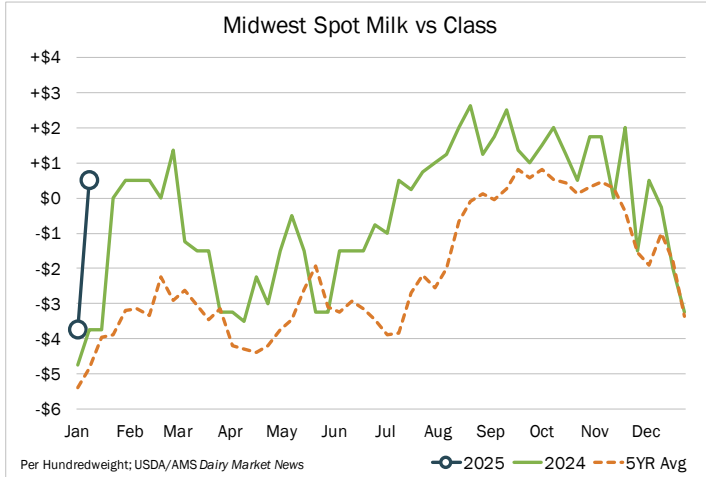
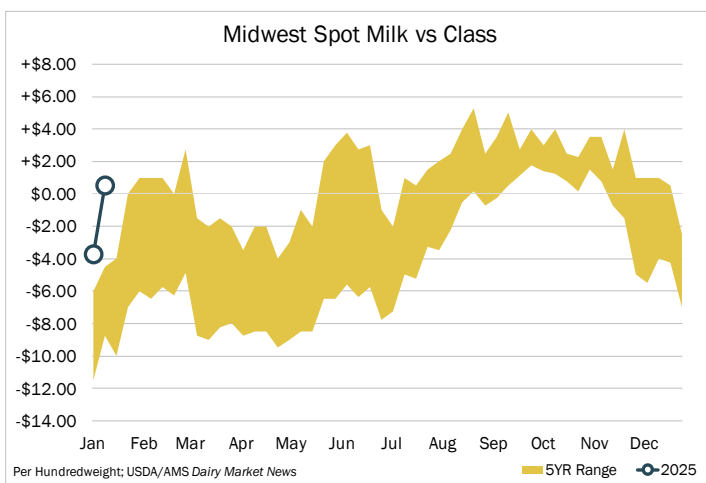
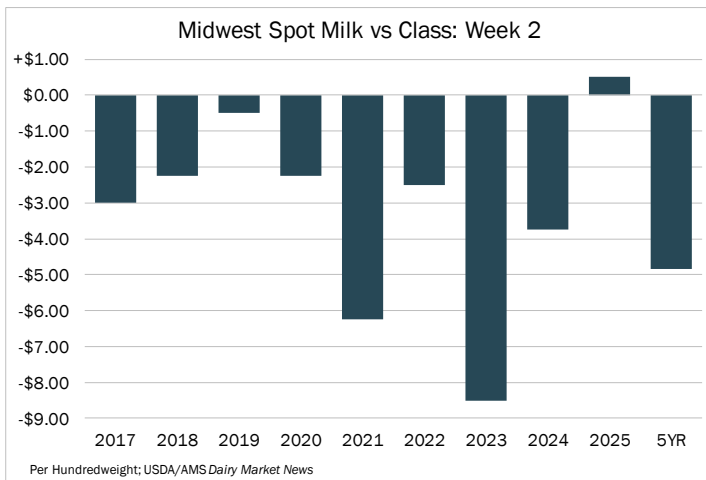


MILK PREMIUMS

January 9, 2025



Midwest Spot			
	Low	High	Midpoint
This Week	\$0.00	+\$1.00	+\$0.50
Last Week	-\$7.00	-\$0.50	-\$3.75
Last Year	-\$7.00	-\$0.50	-\$3.75
5-Year Avg	-\$10.00	-\$1.50	-\$4.85



Here is what USDA/AMS had to say:

MIDWEST: The severity of the recent arctic blast through much of the Central region of the country is expected to put a pinch on what has been a generally slow and steady climb on milk output from the fall season to the early winter. That said, booming milk components continue to be brought up by contacts week after week. Fluid milk needs are being met, but the milk narrative is a contrast from cream's. Spot milk prices rose from holiday levels, as reported spot milk prices ranged from Class III to \$1-over Class III. Last year, during the second week of the year, spot milk prices were reported as low as \$7-under Class up to \$.50-under Class III. Bottling activity has rebounded following a slow period. School districts' bottled milk needs are being met by retailers who are refilling holiday pipelines and also getting ahead of customers' needs during inclement weather situations.



EAST: Colder Arctic air is moving across the country this week, and those weather fronts are bringing temperatures from the high teens to low thirties into eastern areas of the United States. Farm level milk production in the northeast continues to be steady as farmers work to keep herds comfortable. Contacts in the southeast say they are working to manage herd comfort as temperatures fall. Farm level volumes are steady to lighter in the southeast. Industry participants report spot prices for milk loads are bouncing back. Class I bottling demand is beginning to pull more milk as schools place orders for milk and start their Spring semesters. Demand for milk from Class III continues to be steady to strong. Condensed skim demand is scant, but availability is ample. Contacts in the northeast report some condensed skim is going to animal feed.

WEST: In California, some handlers convey week-to-week milk production is increasing as seasonally expected. However, December 2024 year over-year and early January 2025 year-over-year milk production are down significantly. In terms of milk per cow, some handlers convey good improvements compared to a few months ago for their herds. However, stakeholders indicate costs are high for those looking to add replacement heifers to their herds. Spot milk load availability is tight for the first full week of January 2025. Some balancing plant managers note production schedules are lighter than what is typical for the time of year, but maintenance projects ahead of spring flush at other processing plants are anticipated to increase production paces at balancing plants. Class I demand is stronger. Class II, III, and IV demands are steady. Milk production in Arizona is stronger. However, stakeholders indicate spot milk load availability continues to be on the tight end of the spectrum. Demand for Class I milk is stronger, while demands for all other Classes are steady. Handlers in New Mexico also indicate recent week-to-week milk production is stronger. Class I, II, III, and IV demands are in line with the rest of the southwest. Stakeholders indicate farm level milk output in the Pacific Northwest varies from steady to stronger. Processors note milk volumes are accommodating planned production schedules. Class I demand is stronger following the year ending holiday week. All other Class demands are steady. Stakeholders in the mountain states of Idaho, Utah, and Colorado convey milk production is stronger. Stakeholders also indicate finding homes for excess milk volumes is not difficult. Class I, II, III, and IV demands in the mountain states are following the trends of the other West region states.

