MILK PREMIUMS

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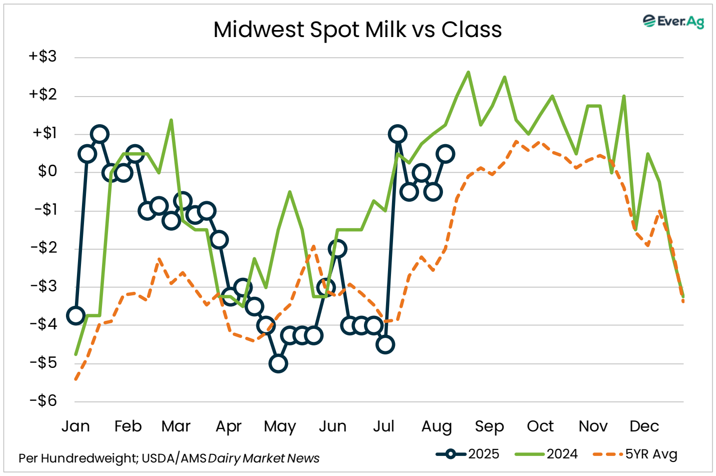
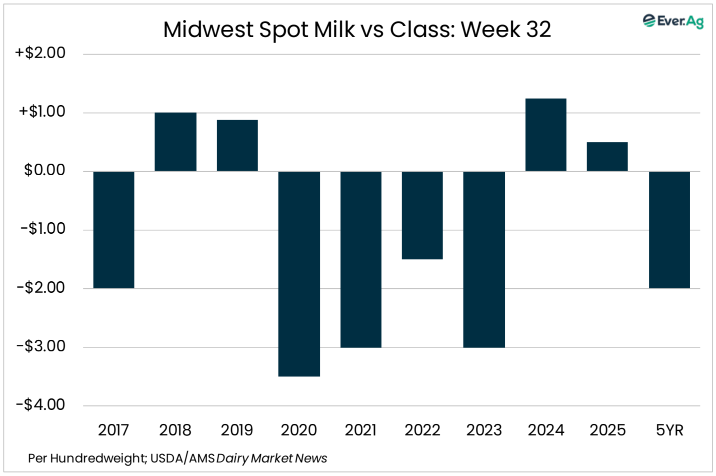
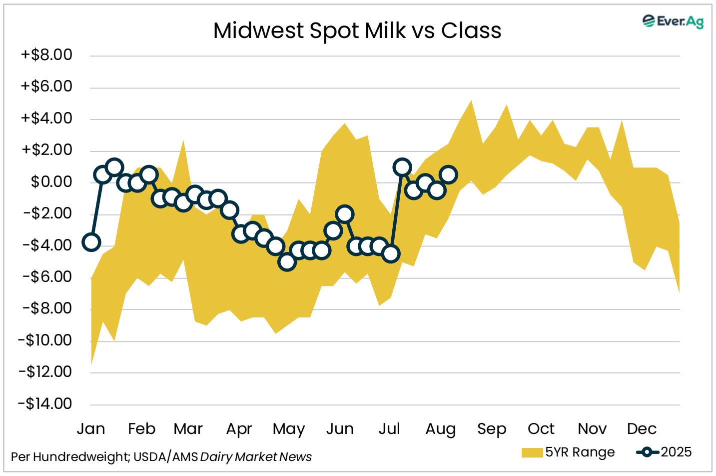
August 7, 2025







Midwest Spot			
	Low	High	Midpoint
This Week	-$1.00	+$2.00	+$0.50
Last Week	-$3.00	+$2.00	-$0.50
Last Year	+$0.50	+$2.00	+$1.25
5-Year Avg	-$5.00	+$2.00	-$2.00

Here is what USDA/AMS had to say:

MIDWEST: Milk production and component levels are declining in the Central region. Contacts report high summer temperatures in recent weeks are negatively impacting cow comfort. The start of the school year in some parts of the country is contributing to increased demand for Class I milk and some stakeholders say they are moving milk from the Midwest to bottling plants in other parts of the country. Demand for Class II milk is declining but is strong for Class III and IV. Declining milk components are contributing to lighter cream production in the Central region. Spot Class III milk offers are declining and trading is light. Class III milk is trading within a tighter range this week, $1-under to $2-over. Some cheesemakers say they continue to purchase Class III milk at or below Class III prices that is available due to downtime at nearby production facilities.

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EAST: Seasonal milk production remains low in the Northeast. Contacts report even though production is low, milk output is higher this year than last year. Milk components are also at a seasonal low. Class I bottling is ramping up in the Southeast as educational institutions begin the fall semester. Class I in the Northeast remains steady. Class II production is starting to drop as demand for hard pack ice cream and other frozen dairy desserts slows. Class III production remains steady. Cheese manufacturers are purchasing spot loads of milk and condensed skim to help fortify manufacturing needs. Condensed skim production is heavy in the region. Contacts report some unscheduled downtime at a dryer is providing additional condensed skim to the market. Reported sales of condensed skim are going for $0.20 to $0.30 over Class price.

WEST: California milk production is seasonally lighter. Year over year milk production is up for the first week of August 2025. Some plant downtime is reported. Central Valley processors describe milk volumes as balanced. According to the California Department of Water Resources, as of August 8, 2025, the state received 21.89 inches of precipitation for the current 2024-25 Water Year, which is 1.13 inches below the historical mean. As of August 6, 2025, the estimated total statewide reservoir storage was 16.80 million acre feet, which is 108 percent of the historical average for the month. Milk production in Arizona is decreasing, but still up year over year going into August 2025. Week over week farm level milk output is lighter in New Mexico. Milk production in the Pacific Northwest varies from steady to lighter. Fat components in milk output are decreasing. Most manufacturers convey milk intakes are at anticipated volumes. Stakeholders indicate milk is being received at new processing facilities in the area. Farm level milk output in the mountain states of Idaho, Utah, and Colorado is seasonally lighter. Colorado handlers note very high summer temperatures have not lasted for prolonged periods of time thus far for 2025 and that is contributing to less drastic seasonal milk production declines. Class II milk demand from ice cream manufacturers is lighter throughout the region for the most part. Milk demand from other dairy product manufacturers and bottlers is steady across the West region.