

MD_DA640

Nonfat Dry Milk - Western U.S.

Report 14 - Released on April 02, 2020

As COVID-19 continues to spread into the country, the fall of low/medium heat nonfat dry milk (NDM) spot prices becomes more noticeable, at least during this week in the west region. NDM contract values also dropped in the futures markets, with prices rounding to \$.90 for Q2. Coronavirus remains the wild card, as what will happen in the immediate future of this market is unpredictable and conditions could change drastically every day. Various manufacturers/buyers are planning business strategies daily in order to mitigate the uncertainty factor during this crisis. For example, while some buyers take a wait and see approach, others continue buying and stocking for future usage. Meanwhile, some processors are slashing prices, trying to stimulate sales. However, some processors prefer to keep inventory in stock to sell when things become clear on the market. With most educational institutions, restaurants and hotels closed, large amounts of milk have been clearing into dryers. NDM production is ongoing, while inventories are steadily building. High heat NDM prices are down, in line with low/medium heat NDM. Production is irregular, mostly driven by contractual needs.

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - Low & Medium Heat; \$/LB: .8400 - 1.0525

Mostly Range - Low & Medium Heat; \$/LB: .8800 - .9200

Prices for: Western U.S., All First Sales, F.O.B., Extra Grade & Grade A, Conventional, and Edible Nonfat Dry Milk

Price Range - High Heat; \$/LB: .9000 - 1.2000

Information for the period March 30 - April 3, 2020, issued weekly

Published by:

Dairy Market News - Madison, WI

ANGEL TERAN-RAMOS, 6084228593

Email: angel.teran@usda.gov

Additional Dairy Market News Information:

Dairy Market News (DMN) by Phone: (608)422-8602

DMN Website: <https://www.ams.usda.gov/market-news/dairy>

DMN MARS (My Market News): <https://mymarketnews.ams.usda.gov>