

Fluid Milk and Cream - Central U.S.

Report 25 - Released on June 18, 2020

UPDATED PRICE RANGE - CLASS III MILK

Farm milk output is on a steady and seasonal decline. Some hotter/dryer summer-like weather is keeping production/components in check. Class I contacts remain concerned about the upcoming school situation. Some school districts are reporting a return in the fall, with some restrictions and some additional distance learning. Unfortunately, this does not paint a clear picture for bottling contacts as to what the near future has in store. Retail orders have been better, as pipelines there begin to be refilled. Cheesemakers are reporting spot milk prices in a range of \$.50 to \$2.50 over Class. Location makes a difference, as some say spot milk is somewhat available, while others in the Midwest suggest their situation is different. Cheese producers have been busy with cheese markets holding onto bullish momentum recently. Cream is still somewhat tight. Cream prices are well out of reach for butter makers. Therefore, they are using only contracted cream loads and microfixing activity grows from plant to plant. Busy ice cream and cheese producers are keeping the cream market somewhat tight. Ice cream producers are expected to slow down either next week or the following week, with the holiday weekend. A nationwide heatwave has aided ice cream demand. Winter wheat harvesters are moving from Oklahoma into Kansas and north. They report a smooth season so far in the South Central region. In the Midwest, most corn and soybeans are in the ground and winter wheat is reportedly heading. In relation to last year, farmers are ahead region wide.

Price Range - Class III Milk; \$/CWT; Spot Basis: 0.50 - +2.50
Trade Activity: Slow

Midwestern U.S., F.O.B. Cream
Multiples Range - All Classes: 1.3800 - 1.5000
Price Range - Class II; \$/LB Butterfat: 2.6413 - 2.8710
Multiples Range - Class II: 1.3800 - 1.5000

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