

MD_DA230

Fluid Milk and Cream - Central U.S.

Report 15 - Released on April 15, 2021

Milk production continues to increase from south to north within the region. Current weather remains cool to mild from Texas up to the upper Midwest, and much of the same is forecasted over the next week. Therefore, contacts expect considerable cow comfort levels to add to flush levels. Contacts in Texas continue to point out growth in milk supplies, although maintaining employees/drivers continues to challenge the industry in that area. Class I demand was noted as flat to slightly up this week. Some milk handlers say they were expecting some post-spring holiday drops. Balancing plants are consistently taking on raw milk. There are some maintenance days scheduled this week in the Plains areas, but generally plants are running smoothly. Cheesemakers sent mixed signals on spot milk supplies, which could be linked to locational variances. Spot milk prices edged higher on the top of the price range, to \$1 under Class, while the \$5 under held steady on the bottom. Last year during week 15 was the height of the early pandemic response, and milk prices were notably discounted from \$8 to \$6 under Class. Cream availability continues to tighten, slowly, week to week. Butter makers are selling off cream as finding it in the mid 1.20s is no longer possible. The further East in the region, the higher the cream multiple. Some Midwestern farmers are getting an early start on planting, roughly one week ahead of last year with beneficial moisture amounts. Grain exports continue to strengthen, as well. Contacts expect some potentially high feed prices near term if corn/beans continue to move out of the country.

Price Range - Class III Milk; \$/CWT; Spot Basis: -5.00 - -1.00
Trade Activity: Moderate

Midwestern U.S., F.O.B. Cream

Multiples Range - All Classes:	1.2800 - 1.3400
Price Range - Class II; \$/LB Butterfat:	2.3946 - 2.4683
Multiples Range - Class II:	1.3000 - 1.3400

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