

Fluid Milk and Cream - Central U.S.

Report 17 - Released on April 29, 2021

Central contacts continue to report strong milk yields, even though they say peak flush is not yet upon the upper Midwest. Some Midwestern farmers are reporting their Q1 figures and say yields were up by double-digit percentages when compared to last year. In some instances, milk output levels were higher in spite of lighter herd numbers. Component percentages vary. Some farmers relay protein levels lag previous years, while milkfat is steady or above the past two to three years. Hauling issues have become a real issue across the dairy industry. However, raw milk and cream contacts have more concerns due to the perishability of those loads. Qualified driver shortages are a growing and imminent concern. When e-logs became mandatory in late 2017, contacts reported numerous problems regarding hauling. Currently, though, there are a number of factors compounding the hauling shortages stemming from a lack of drivers for multiple reasons from COVID-19 restrictions to closures of driving schools during the pandemic. Spot milk prices were reported from \$5 under Class to flat Class. There is no shortage of extra milk for busy cheese operations, or other Class I operations. Class I demand reports were mixed. Some milk suppliers are concerned with the limited bottling demand, not just at the current moment, but moving forward. Southern Central Class I demand was notably a little busier than in previous weeks. Cream availability was steady to a little tighter than last week. Butter makers relayed receiving some extra loads at multiples in the mid-1.20s. Generally, though, ongoing butter and ice cream production has steadied since last week's short-term looseness on cream markets. Midwestern farmers are looking ahead to this weekend, when many plan to be in the fields. Some small grains are already in the ground, but more planted corn is expected by the end of the week as fields are dry enough to work. Farmers are trying to stay ahead of potentially wet weather, although wet weather is needed throughout portions of the region, which are notably drier than in previous years.

Price Range - Class III Milk; \$/CWT; Spot Basis: -5.00 - .00

Trade Activity: Slow

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

Multiples Range - All Classes:	1.2400 - 1.3000
Price Range - Class II; \$/LB Butterfat:	2.2784 - 2.3322
Multiples Range - Class II:	1.2700 - 1.3000

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