

Fluid Milk and Cream - Central U.S.

Report 30 - Released on July 29, 2021

The narrative remains similar on Midwestern and Central region dairy farms. Milk production rates are dipping weekly, as warm weather permeates the region. Silage in the Midwest is tight, and is expected to remain so until harvest. Still, when compared to the previous year's figures for January through June, milk yields are higher. Milk availability remains ample, and some contacts are growing concerned about the heavy amount of fluid milk and cream still available moving into the month of August. Class I demand increases could help alleviate some of those concerns. Milk is expected to begin moving into the Southeast from the Mid-Atlantic and Midwest soon, as schools reopen in hotter areas of the country. That said, there are still widely available loads of spot milk for cheesemakers. Class III spot milk prices moved back lower this week, after a slight uptick in prices last week. Also, more prices were reported at or even lower than \$5 under Class than in any week in the past month. In 2020, spot milk prices during week 30 were \$2.50 under to Class III, while 2019 prices were \$1 under to \$1 over Class. Cream is also widely available. Butter makers and Class II producers say cream availability is slightly up or down from one week to the next, but the big picture remains similar weekly, as do cream multiples. Despite strong winds and storms in the upper Midwest, corn/bean fields in areas are benefitting from some precipitation. Overall crop yields, even in the midst of drought conditions in swaths of the region, are still expected to be hearty this harvest.

Price Range - Class III Milk; \$/CWT; Spot Basis: -6.00 - -3.00

Trade Activity: Moderate

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

Multiples Range - All Classes:	1.2300 - 1.3500
Price Range - Class II; \$/LB Butterfat:	2.1869 - 2.3065
Multiples Range - Class II:	1.2800 - 1.3500

Information for the period July 26 - 30, 2021, issued weekly

Secondary Sourced Information:

The NASS Milk Production report noted June 2021 milk production in the 24 selected states was 18.09 billion pounds, 3.2 percent above a year ago. Milk cows in the 24 selected states totaled 9.0 million head, 166,000 head more than a year ago. The following table shows the 24 states included in the report and the monthly milk production and percent changes compared to a year ago:

June 2021 Milk Production, (USDA-NASS)

	(Million Lb.)	% Change From 1 Year Ago
Illinois	149	...
Indiana	390	+ 8.3
Iowa	458	+ 3.9
Kansas	344	+ 6.8
Michigan	1,015	+ 4.0
Minnesota	873	+ 3.2
Ohio	478	+ 2.6
South Dakota	296	+14.7
Texas	1,282	+ 7.0
Wisconsin	2,637	+ 2.8

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