

MD_DA230

Fluid Milk and Cream - Central U.S.

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Farm milk output is dipping week to week, as there has been a clear and notable increase in Class I demand. Contacts say this year has been more comparable to 2019 and prior, as opposed to last year's anomaly due to COVID-19 related school schedules/in-person attendance. Milk suppliers continue to report a dearth in haulers. They say the driver shortage is not expected to remedy itself anytime soon, particularly with COVID-19 resurgences. Cheese producers relay the upcoming three-day weekend is not creating a glut in milk availability. In fact, spot milk prices shifted only slightly lower from last week. Comparably, last year's prices were \$5 under Class to \$1 over Class, while in 2019, prices ranged from \$.50 under to \$1.25 over Class. Cheesemakers say they are utilizing more nonfat dry milk to fortify, as well. Cream availability is similar. Cream trading activity was somewhat quiet. Butter producers are working on securing Q4 contractual requirements. Cream cheese producers are also steadily clearing cream loads. However, last week's higher multiples (around 1.40) were not reported again this week. Although parts of the northern part of the region have received beneficial precipitation, there remains a swath of the Northern Plains in a drought, despite some recent rainfall.

Price Range - Class III Milk; \$/CWT; Spot Basis: 0.25 - 1.00
Trade Activity: Moderate

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

Multiples Range - All Classes:	1.2500 - 1.3800
Price Range - Class II; \$/LB Butterfat:	2.2453 - 2.3474
Multiples Range - Class II:	1.3200 - 1.3800

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