

Fluid Milk and Cream - Central U.S.

Report 13 - Released on March 30, 2023

Upper Midwestern farmers and milk truck drivers are or have until recently been working through late seasonal snowstorms. Nonetheless, milk output figures from farmers' monthly reports continue to show shifts higher in milk and milk components as spring flush nears. Milk availability remains a constant. Bottling orders are steady, despite dips here and there for spring breaks at some areas. The bottling sector, however, is not keeping cheesemakers from receiving spot milk offers well below the Class III mark. Spot prices this week were reported from \$11 to \$3 under Class. That said, for the first time in weeks, more prices are starting to edge near the higher end of the price range, as \$4 and \$5 under Class spot prices were more regularly reported than those at \$10 and \$11 under. Condensed skim notes continue to suggest widely available supplies. As plant downtime has kept some dryers from activity, contacts suggest condensed skim is expected to remain available for the near term. Cream availability is trending higher, as reported multiples were lower from week to week. Spring holiday demand upticks for processors, through last week, had spread the cream pool a little thinner throughout most of early March. Now, however, cream end users such as butter and ice cream processors have begun to step back from the spot market. In a rare occurrence, cream buyers in the region were offered cream loads from the Eastern region this week. Typically, cream is sourced from within the region or West of the Mississippi River. Farmers in the South Central region say they are somewhat regularly under red flag warnings, as windy and dry days continue to keep soil moisture quite limited. That said, winter wheat farmers say crops look fairly healthy this spring. There is a contrast in reports from South Central to Northern states. Kansas, Oklahoma and Texas are widely variant due to dryness, while Illinois and the Northern Plains states' wheat reports are steadier.

Price Range - Class III Milk; \$/CWT; Spot Basis: -11.00 - -3.00
Trade Activity: Moderate

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

Price Range - All Classes; \$/LB Butterfat: 2.8536 - 3.0438
Multiples Range - All Classes: 1.2000 - 1.2800
Price Range - Class II; \$/LB Butterfat: 2.9725 - 3.0438
Multiples Range - Class II: 1.2500 - 1.2800

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