

MD_DA230

Fluid Milk and Cream - Central U.S.

Report 14 - Released on April 06, 2023

More late season snowfalls, over a foot in some areas, affected some upper Midwest and Northern Plains farms over the weekend. Despite this, farm milk output is only continuing to inch up week to week, as contacts say spring flush is looming. Spring flush's seasonal milk availability for end users did not need any seasonal demarcation, though, as milk has been widely accessible throughout the winter. Milk handlers in the areas effected by snow say they were working to shift milk and cream out of those specific areas. Bottlers continue to chip away at the overall milk pool, but cheesemakers in the upper Midwest continue to take on higher volumes of spot milk at prices as low as \$11 under Class III. Due to some processing plant downtime in the upper Midwest, milk availability expectations are not expected to change in the upcoming weeks for Class III processors. Condensed skim continues to be offered out at aggressive pricing for processors. Cream availability is mirroring that of milk's, as spring holidays approach. Ice cream production has quieted ahead of the holiday weekend. This has pushed more cream tanks into butter plants. Some butter contacts say plant downtime is not expected during the upcoming holiday, as churning rates remain near to or at capacity. Contacts in some parts of Texas say they have received some beneficial rain. That said, there a number of areas in the southern area of the region that are hot and dry, including other areas of the Lonestar State, Oklahoma and Kansas, which are warm, windy and dry. Winter wheat conditions are mixed, though, as some contacts in those regions relay somewhat good progress of winter wheat fields despite the dryness.

The DMN monthly average of the range price series for Upper Midwest Class II cream during March was \$2.9656, compared to \$2.9037 in February.

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

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

Price Range - All Classes; \$/LB Butterfat: 2.7864 - 2.9769
Multiples Range - All Classes: 1.1700 - 1.2500
Price Range - Class II; \$/LB Butterfat: 2.9054 - 2.9769
Multiples Range - Class II: 1.2200 - 1.2500

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