

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (3/22)

BUTTER: Grade AA closed at \$2.8075. The weekly average for Grade AA is \$2.8210 (-\$0.0080).

CHEESE: Barrels closed at \$1.4250 and 40# blocks at \$1.3925. The weekly average for barrels is \$1.4780, (+\$0.0410) and blocks, \$1.4280 (-\$0.0215).

NONFAT DRY MILK: Grade A closed at \$1.1075. The weekly average for Grade A is \$1.1205 (-\$0.0445).

DRY WHEY: Extra grade dry whey closed at \$0.3950. The weekly average for dry whey is \$0.4130 (-\$0.0170).

BUTTER HIGHLIGHTS: Retail demand is strong to steady across the nation. However, stakeholders note interest for securing loads for the spring holiday season varies from picking up slowly to steady. Food service demand is flat to weaker. Cream is readily available throughout most of the country. Butter production is mixed. In the East, various butter makers indicate churning varies from as much as possible to as minimal as possible. In the Central, butter makers indicate steady churning and increases with micro-fixing bulk volumes. In the West, butter makers indicate strong to steady production schedules. Some manufacturers note tight spot load availability for unsalted butter. Bulk butter overages range from 3 to 12 cents above market, across all regions.

CHEESE HIGHLIGHTS: Milk production continues to trend higher in the East region. Cheese plant managers note that production schedules are steady. Inventories remain comfortable as cheese demand remains quiet. Contacts share retail demand is increasing. Cheese demand in the Central region is trending higher. Cheese plant managers share that they are running robust production. Spot milk prices range from \$3- under Class III to flat market. In the West, cheese production schedules are steady to stronger as milk availability remains ample. Contracted cheese demand is steady, though spot demand is trending lighter. Some contacts share current market conditions are weakening export demand.

FLUID MILK: Milk production is steady to stronger throughout the country. Open processing capacities are tight in some parts of the country. Balancing plants are busier with heavier milk volumes as the nation cycles through session breaks at educational facilities. In California, some plants going through system changeovers/upgrades have had multiple extended unplanned downtimes. Processors say in some parts of the Western region spot load availability is tight. Spot milk offers as low as \$6-under Class III were reported for the Central region, although completed sales dipped to \$3-under. Class I demand is lighter. Class II, III, and IV demands are strong to steady. Condensed skim availability is looser. Cream multiples for all Classes are 1.05-1.33 in the East, 1.14-1.28 in the Midwest, and 1.00-1.25 in the West.

DRY PRODUCTS: Low/medium nonfat dry milk (NDM) prices moved lower on both ends of the Central and East range and the bottom end of the West range. Prices for the top end of the West range moved higher. Plenty of condensed skim is available for low/ medium heat NDM production. High heat NDM prices were unchanged for both ends of the central and east region range. In the West, prices are mixed. Stakeholders say spot inventories are well balanced with demand. Dry buttermilk prices held steady, aside from downward price movement for the bottom end of the Central and East range. A few manufacturers note lighter drying schedules due to some weaker interest from buyers. Dry whole milk prices stayed firm. Inventories are tight. Dry whey prices moved lower in all regions, aside from upward price movement for the top end of the Central region range. Demand is steady to lighter. Lactose prices moved lower for the bottom end of the range. Domestic demand is somewhat lighter. Whey protein concentrate (WPC) 34% and casein prices held steady. WPC 34% spot sales are noted as keeping pace with production.

ORGANIC DAIRY MARKETS NEWS: The USDA AMS recently awarded funding for 60 grant projects through the Organic Market Development Grant Program. Awards for 10 projects were previously announced in January, bringing the total number of projects receiving awards to 70 this year. The National Organic Program's Strengthening Organic Enforcement rule's date was implemented on March 19, 2024. The implementation of this rule updated the USDA's organic relations providing stronger oversight and enforcement of production, handling, and sales of organic agricultural products. Organic dairy ad numbers increased during the week 12 retail dairy ad survey. The majority of organic dairy ads this week were for milk, making it the most advertised organic dairy commodity.

NATIONAL RETAIL REPORT: Total conventional dairy advertisements increased by 9 percent, while total organic dairy ads increased by 112 percent. Conventional ice cream in 48–64-ounce containers was the most advertised dairy product, with a weighted average advertised price of \$3.83, down from \$3.87 the week prior. Conventional butter in one-pound packages was the second most advertised dairy product, with a weighted average advertised price of \$4.32, up from \$4.29 the week prior. Conventional 8-ounce blocks of cream cheese appeared in 67 percent more ads than last week, with a weighted average advertised price of \$2.36, down from \$2.60 last week.

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DAIRY MARKET NEWS PRICE SUMMARY FOR MARCH 18 - 22, 2024 PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM					DRY BUTTERMILK					LACTOSE				
Central Low/Med. Heat	1.1300	1.2000	1.1500	1.1800	Central/East	1.0700	1.1500			Central/West	0.1800	0.4000	0.2500	0.3500
Change	-0.0300	-0.0100	-0.0200	-0.0200	Change	-0.0300	N.C.			Change	0.0050	N.C.	N.C.	0.0100
Central High Heat	1.3400	1.3900			West	1.0500	1.2300	1.1000	1.2000	WPC 34%				
Change	N.C.	N.C.			Change	N.C.	N.C.	N.C.	N.C.	Central/West	0.9500	1.1800	0.9600	1.0600
West Low/Med. Heat	1.1300	1.2300	1.1500	1.2000	DRY WHEY					Change	N.C.	N.C.	N.C.	N.C.
Change	-0.0100	0.0100	N.C.	N.C.	Central	0.3500	0.4900	0.4200	0.4400	CASEIN				
West High Heat	1.2850	1.4500			Change	-0.0400	0.0300	-0.0100	-0.0100	Rennet	3.5000	3.8500		
Change	-0.0100	0.0050			West	0.4500	0.5425	0.4700	0.5300	Change	N.C.	N.C.		
DRY WHOLE MILK					Change	-0.0050	-0.0075	N.C.	N.C.	Acid	3.6000	3.9500		
National	2.0700	2.2700			Northeast	0.4150	0.4875			Change	N.C.	N.C.		
Change	N.C.	N.C.			Change	-0.0100	-0.0100			ANIMAL FEED WHEY				
										Central	0.3000	0.3500		
										Change	N.C.	N.C.		