

**DAIRY MARKET NEWS AT A GLANCE**

**CME GROUP CASH MARKETS (12/22)**

**BUTTER:** Grade AA closed at \$2.5400. The weekly average for Grade AA is \$2.5795 (+0.0825).

**CHEESE:** Barrels closed at \$1.3925 and 40# blocks at \$1.3900. The weekly average for barrels is \$1.3980 (-0.1030) and blocks, \$1.4280 (-0.1460).

**NONFAT DRY MILK:** Grade A closed at \$1.1600. The weekly average for Grade A is \$1.1605 (-0.0045).

**DRY WHEY:** Extra grade dry whey closed at \$0.3800. The weekly average for dry whey is \$0.3835 (-0.0105).

**BUTTER HIGHLIGHTS:** Retail butter demand is mixed, with some stakeholders reporting holiday ordering is largely fulfilled and other stakeholders reporting buyers eagerly seeking to fill remaining holiday needs. Food service demand is solid. Cream supplies for churning are readily available throughout the country. Cream demand is mixed. Butter manufacturers in the western and central regions indicate cream demand is strong to steady, while contacts in the eastern region report steady to lighter cream demand. Butter makers are running active production schedules utilizing increased spot load availability of cream. Manufacturers in the west region indicate availability of bulk and unsalted butter is somewhat looser.

**CHEESE HIGHLIGHTS:** Milk volumes available for cheese manufacturing remain strong in the Northeast. Plant downtime scheduled for end-of-year holidays will slow production in the coming weeks. Cream cheese demand has been strong for holiday baking, and both cheddar and mozzarella demands are steady. In the Central region, milk is available for cheese processing, but not in as strong supply as in years past. Contacts report some below Class spot milk prices, but suggest flat market and above Class prices are also present. Cheese inventories are balanced in the Midwestern states. Western cheese inventories are comfortable, though spot loads of cheese vary from manufacturer to manufacturer. Contacts share there are strong milk quantities available for production. Retail demand is steady. Foodservice demand is noted to be weaker in the West.

**FLUID MILK:** Farm level milk production is steady to higher across the nation. In the Northeast, milk outputs are higher. Feed quality remains high and has contributed to stronger milk components. Cream is becoming more available in the region, though contacts note demand has softened ahead of end-of-year holidays. Class I demand is lighter as educational institutions close through the end of the year. In the Central region, fluid milk volumes continue to grow. Farmers share milkfat contents continue to improve due to hearty feed quality. Cheese processors report some prices as low as \$5-under Class to \$0.25-over Class III. Western milk production is generally steady. Cream is becoming more available at the close of the year. FOB cream multiples for all Classes are **1.00-1.28** in the East, **1.00-1.08** in the Midwest, and **0.80-1.18** in the West.

**DRY PRODUCTS:** Central and East low/medium heat nonfat dry milk (NDM) prices moved higher at the bottom of the range. Supplies are snug, though light demand has not placed further strain on inventories. NDM markets continue to hover around the \$1.20 per pound mark. Plant managers relay some dryers have been down for maintenance, while others are planning more extensive downtime through the end of the year. High heat NDM trading was quiet. In the West, low/medium heat NDM demand is steady, and processors relay varying spot availability. Some contacts share production has been paused until the New Year. Dry buttermilk prices inched higher in the Central and Eastern regions. Churning activity is increasing, and condensed buttermilk inventories are growing. Dry buttermilk prices inched higher at the top of the range in the West, as spot availability remains tight. Drying schedules are reportedly steady. Dry whole milk prices moved higher. Dry whey prices shifted lower in the Central region. Processors note inventories are tight, while brokers relay having dry whey on hand. Dry whey trading activity was slow in the East. Many Class III plants have scheduled downtime for the rest of the year, and liquid whey supplies will wane as a result. In the West, liquid whey volumes are able to match steady to stronger drying schedules.

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**DAIRY MARKET NEWS PRICE SUMMARY FOR DECEMBER 18 - 22, 2023  
PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
<b>NDM</b>					<b>BUTTERMILK</b>					<b>LACTOSE</b>				
Central Low/Med. Heat	1.1500	1.2300	1.1800	1.2200	Central/East	1.0800	1.1200			Central/West	0.1525	0.3900	0.2300	0.3200
Change	0.0100	N.C.	N.C.	N.C.	Change	0.0300	N.C.			Change	0.0025	N.C.	0.0100	N.C.
Central High Heat	1.2900	1.3300			West	1.0800	1.2700	1.1600	1.2200	<b>WPC 34%</b>				
Change	N.C.	-0.0300			Change	N.C.	0.0100	N.C.	N.C.	Central/West	0.8800	1.1200	0.9100	0.9900
West Low/Med. Heat	1.1250	1.2500	1.1600	1.2100	<b>WHEY</b>					Change	0.0100	0.0200	0.0100	0.0100
Change	-0.0050	N.C.	-0.0100	N.C.	Central	0.3700	0.4200	0.3800	0.4150	<b>CASEIN</b>				
West High Heat	1.2700	1.4400			Change	N.C.	-0.0100	N.C.	-0.0050	Rennet	3.4000	3.8000		
Change	-0.0100	-0.0075			West	0.4000	0.4900	0.4100	0.4600	Change	0.0500	0.0500		
<b>DRY WHOLE MILK</b>					Change	0.0100	0.0200	0.0100	0.0100	Acid	3.5000	3.9000		
National	1.8500	2.2000			Northeast	0.3750	0.4475			Change	N.C.	N.C.		
Change	0.0300	0.0200			Change	N.C.	N.C.			<b>ANIMAL FEED WHEY</b>				
									Central	0.2600	0.3300			
									Change	N.C.	N.C.			

**DAIRY MARKET NEWS PRICE SUMMARY FOR DECEMBER 11 - 22, 2023  
PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Commodity	Range		Commodity	Range	
<b>SMP</b>			<b>WHOLE MILK POWDER</b>			<b>BUTTER</b>		
W. Europe	2725	3025	W. Europe	3925	4225	W. Europe	5825	6150
Change	-25	-50	Change	-50	N.C.	Change	125	-200
Oceania	2525	2700	Oceania	3125	3150	Oceania	4950	5425
Change	-75	N.C.	Change	100	25	Change	150	475
S. America	2850	3100	S. America	3250	3500	<b>BUTTEROIL</b>		
Change	-50	N.C.	Change	N.C.	N.C.	W. Europe	6125	7275
<b>WHEY</b>					Change	25	-200	
W. Europe	875	1075			<b>CHEDDAR CHEESE</b>			
Change	N.C.	N.C.			Oceania	4075	4325	
					Change	100	125	