

DAIRY MARKET NEWS AT A GLANCE

CME GROUP CASH MARKETS (4/5)

BUTTER: Grade AA closed at \$2.9400. The weekly average for Grade AA is \$2.9160 (+0.0722).

CHEESE: Barrels closed at \$1.5300 and 40# blocks at \$1.5150. The weekly average for barrels is \$1.4635 (+0.0347) and blocks \$1.4555 (+0.0361).

NONFAT DRY MILK: Grade A closed at \$1.1325. The weekly average for Grade A is \$1.1335 (+0.0122).

DRY WHEY: Extra grade dry whey closed at \$0.3900. The weekly average for dry whey is \$0.3910 (-0.0090).

BUTTER HIGHLIGHTS: Domestic butter demand varies some region to region. Industry participants convey domestic demand is strong to steady in the West, steady in the Midwest, and steady to lighter in the East. Cream volumes are reported as widely available and at comfortable amounts. Butter manufacturers continue to run busy production schedules overall while cream volumes are seasonally larger. However, whether butter makers indicate churning is focused on immediate retail needs or building bulk butter stocks varies. Planned summer churn maintenance is noted by some butter manufacturers. Stakeholders, in the West region particularly, relay unsalted butter spot load availability is tight. Bulk butter overages range from 3 to 12 cents above market, across all regions.

CHEESE HIGHLIGHTS: Eastern contacts share milk production continues to trend steady to higher. Cheese plant contacts note steady to lighter production schedules, citing weak block cheese demand as a reason to scale back cheese processing. Block cheese inventories remain comfortable in the region, namely of American-type cheese varieties. Cheesemakers in the Central region share ample milk availability has kept production schedules in line with recent weeks. Contacts note plant downtime and the recent holiday weekend have loosened already abundant milk volumes. Spot milk prices were reported at \$5 to \$3-under Class III. Cheese manufacturers in the West share robust cheese production schedules. Contacts share that contracted cheese demand is steady. Spot demand is steady to stronger, as is demand from international purchasers.

FLUID MILK: Milk production is steady or strengthening throughout the country. For some parts of the country, milk production is in seasonal spring flush conditions, and plants are at, or near, full capacities. In several states, cases of Highly Pathogenic Avian Influenza (HPAI) have been confirmed in dairy cows. Contacts convey it has minimally impacted milk output, and volumes remain readily available to meet processors manufacturing

needs. Stakeholders note spot milk offers at below Class III prices in the Central and West regions. In the Central region, spot milk prices ranged from \$5-under to \$1.50-under Class III. Nationally, Class I demand is stronger as many educational institutions have finished spring break sessions. Class II, III, and IV demands are mixed across the country. Condensed skim milk demand is lighter, and availability remains loose. Cream multiples for all Classes are 1.08-1.27 in the East, 1.12-1.24 in the Midwest, and 1.00-1.21 in the West.

DRY PRODUCTS: Low/medium nonfat dry milk (NDM) prices moved lower in all regions, aside from holding steady for the bottom end of the Central and East range. Production varies amongst manufacturers. High heat NDM prices moved lower in all regions, aside from holding steady for the top end of the Central and East range. NDM drying schedules are largely focused on low/medium heat NDM. Dry buttermilk prices are unchanged, except for downward price movement on the top end of the West range. Domestic demand is moderate. Dry whole milk prices are unchanged. Dry whole milk inventory remains limited. Nationally, dry whey prices are steady to lower. Spot load availability varies across the country. Whey protein concentrate (WPC) 34% had downward price movement for the bottom end of the range. WPC 34% interest has slowed in recent weeks. Lactose prices moved higher. Domestic demand for lactose is strong. Both acid and rennet casein prices held steady this week.

ORGANIC DAIRY MARKETS NEWS: The Organic Insider released on April 1 included a link to and information about the recently released 2024 NOP Program Handbook Update. Updates were made to the handbook following the implementation of the Strengthening Organic Enforcement rule. The USDA - Economic Research Service (ERS) recently released an article discussing programs created by the USDA from 2021-2023 in response to disruptions to organic markets contributing to a recent decrease in organic certified organic land. The Foreign Agricultural Service (FAS) export data showed February 2024 organic milk exports were 116,554 liters, up the month prior, and up from 2023. Exports of organic milk from the start of the year through February are up, compared to the same time one year ago. The January 2024 European organic milk average pay price increased in Germany and Bavaria compared to December 2023 average pay prices, but decreased in Austria and France. During the last two retail ad surveys, the number of organic dairy ads fluctuated. Total organic dairy ads grew from week 12 to week, but the number of organic dairy ads declined in week 14. The most advertised organic dairy

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DAIRY MARKET NEWS PRICE SUMMARY FOR APRIL 1 - 5, 2024 PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
NDM														
Central Low/Med. Heat	1.1100	1.1750	1.1200	1.1400	Central/East	1.0700	1.1500			Central/West	0.2100	0.4100	0.2700	0.3700
Change	N.C.	-0.0050	N.C.	N.C.	Change	N.C.	N.C.			Change	0.0375	0.0100	0.0200	0.0200
Central High Heat	1.2700	1.3900			West	1.0500	1.2200	1.0800	1.2100	WPC 34%				
Change	-0.0200	N.C.			Change	N.C.	-0.0100	N.C.	0.0100	Central/West	0.9400	1.1800	0.9600	1.0600
West Low/Med. Heat	1.1200	1.2200	1.1300	1.1800	DRY WHEY					Change	-0.0100	N.C.	N.C.	N.C.
Change	-0.0100	-0.0100	-0.0100	-0.0100	Central	0.3500	0.4500	0.3800	0.4300	CASEIN				
West High Heat	1.2550	1.4200			Change	N.C.	-0.0300	-0.0050	N.C.	Rennet	3.5000	3.8000		
Change	-0.0300	-0.0300			West	0.4400	0.5250	0.4600	0.5200	Change	N.C.	N.C.		
DRY WHOLE MILK					Change	N.C.	N.C.	N.C.	N.C.	Acid	3.5500	3.8500		
National	2.0400	2.2400			Northeast	0.3825	0.4550			Change	N.C.	N.C.		
Change	N.C.	N.C.			Change	-0.0225	-0.0225			ANIMAL FEED WHEY				
										Central	0.3000	0.3300		
										Change	N.C.	N.C.		