

MD_DA230

Fluid Milk and Cream - Central U.S.

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Regional contacts are reporting that the competition is on among processing facilities in the Midwest in vying for milk. As component levels continue to be reported at low levels, and milk has been diverted from the Upper Midwest and Northeast to Southern and Southeastern regions, a peripeteia of sorts has happened for cooperatives and milk suppliers. Instead of making calls to find prospective buyers, they are being called, and in some cases simply do not have the available milk supplies which were present as recently as a month ago. Milk bottling, in and out of the region, is a large cause for the shortening supplies. All that said, some producers relay that the bottling pipelines are settling in and more milk loads are expected near-term. Some Midwestern cheese producers suggest that cheese markets are not stable enough for them to take on extra milk, and at any rate, spot offers are scarce. Spot milk headed into cheese vats reached a \$2 premium over Class this week. With lower milk fat levels reported, cream prices lifted on the bottom of their respective ranges. Butter makers are running the churns on a necessity basis, but some have suggested fall inventories are beginning to be chipped away at by consistent, and increasing, demand. Wet weather from the Upper Midwest to the Southern Central area has set some farmers back somewhat. Delayed soybean harvesting, and moisture related mold have been reported in the Midwest; whereas areas in the South-Central region have been hammered by heavy rains just after/during planned wheat planting.

Midwestern U.S., F.O.B. Cream	
Multiples Range - All Classes:	1.2500 - 1.3200
Price Range - Class II; \$/LB Butterfat:	2.9786 - 3.0479
Multiples Range - Class II:	1.2900 - 1.3200

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ISRAEL WEBER, 608-422-8601
Email: israel.weber@ams.usda.gov

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