

**DAIRY MARKET NEWS AT A GLANCE**

**CME GROUP CASH MARKETS (2/16)**

**BUTTER:** Grade AA closed at \$2.7500. The weekly average for Grade AA is \$2.7240 (-0.0200).

**CHEESE:** Barrels closed at \$1.6075 and 40# blocks at \$1.4800. The weekly average for barrels is \$1.5865 (+0.0095) and blocks, \$1.5315 (-0.0790).

**NONFAT DRY MILK:** Grade A closed at \$1.1700. The weekly average for Grade A is \$1.1835 (-0.0340).

**DRY WHEY:** Extra grade dry whey closed at \$0.5200. The weekly average for dry whey is \$0.5220 (+0.0145).

**BUTTER HIGHLIGHTS:** Retail demand is steady throughout the country. Food service demand is strong in the East region and steady in all other regions. Cream loads are readily available for butter makers to utilize throughout most of the country. Some butter plant contacts expect cream offers to be abundant for the remainder of the month. Butter manufacturers are running busy production schedules to build for anticipated spring demands. Stakeholders note unsalted butter availability is tight. Distributors relay inquiries from international customers have been more frequent recently. Bulk butter overages range from 4 to 15 cents above market, across all regions.

**CHEESE HIGHLIGHTS:** Cheese plant managers relay seasonally steady production schedules in the East region. Contacts share block cheese inventories are growing. Cheese demand in the Central region is noted to be seasonally quiet. Contacts in the Midwest are focusing on building inventories for spring demand. Milk availability is tighter than predicted. During week seven of last year spot milk prices were \$10- to \$2-under Class III whereas below-Class prices for spot milk loads have yet to be reported this month. Some end users report tight milk availability in the West, while others suggest Class III spot loads are generally available when needed. Plant managers share steady cheese production schedules. Spot cheese inventories are noted to be tighter than in recent weeks in the West. A block/barrel inversion has been in place on the CME since last Friday.

**FLUID MILK:** Throughout the East, contacts relay generally steady farm milk output. Central region output is also noted as steady, but component levels have receded in recent weeks. Western milk output levels are steady to stronger from one area to the next. Condensed skim demand has strengthened, and stores are not as available as they were in the early winter. Cream stores are widely available, as below-market multiples were reported in both the Central and West regions. Butter plants are still taking on the bulk share of cream supplies in the country, while ice cream manufacturing remains slower than some contacts expected this late in the winter season. F.O.B. cream multiples are **1.05-1.27** in the East, **.90-1.25** in the Midwest, and **.90-1.20** in the West.

**DRY PRODUCTS:** Low/medium heat nonfat dry milk (NDM) price ranges moved higher in the Central/East, while contracting in the West. Condensed skim demand is noted as increasing throughout most of the country. Dry buttermilk prices were lower in the Central/East, but mixed in the West. Condensed buttermilk trading is active, with ample cream moving through churns. Dry whole milk prices were unchanged on slow spot market activity. Dry whey prices increased across the nation this week. Firm whey protein concentrate (WPC) markets have shifted production of whey solids away from drying sweet whey, which has kept availability somewhat snug. WPC 34% prices were steady to higher. WPC 34% availability has tightened up, and some manufacturers say their stores are expected to remain tighter through Q1 and Q2. Lactose prices were mixed, as export demand is noted as soft. Casein prices were unchanged.

**INTERNATIONAL DAIRY MARKET NEWS: WESTERN EUROPEAN OVERVIEW:** West European milk output has continued to rise seasonally, and some dairy contacts say intakes are not as low as they expected to start the year. However, milk production in many Western European countries is still trending below the levels of the last few years.

**CONTINUED ON PAGE 1A**

**TABLE OF CONTENTS**

Product Highlights/CME/DMN at a Glance	1	Dry Whey/WPC 34%/Lactose/Casein	6	January Market Summary and Utilization	11
Weekly CME Cash Trading/Butter Markets	2	U.S Dairy Cow Slaughter/Class Milk Prices/NDPSR/Futures	7	Dairy Graphs	G1
Cheese Markets	3	International Dairy Market News	8	National Retail Report – Dairy	
Fluid Milk and Cream	4	Consumer Price Index	9	Dairy Market News Contacts	
Nonfat Dry Milk/Dry Buttermilk/Dry Whole Milk	5	Producer Price Index	10		

**DAIRY MARKET NEWS PRICE SUMMARY FOR FEBRUARY 12 - 16, 2024**  
**PRICES (\$/LB) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Mostly		Commodity	Range		Mostly		Commodity	Range		Mostly	
<b>NDM</b>					<b>DRY BUTTERMILK</b>					<b>LACTOSE</b>				
Central Low/Med. Heat	1.1900	1.2600	1.2000	1.2200	Central/East	1.1100	1.1500			Central/West	0.1325	0.3975	0.2400	0.3400
Change	0.0100	0.0200	0.0100	-0.0100	Change	-0.0100	-0.0050			Change	-0.0400	0.0175	N.C.	N.C.
Central High Heat	1.3200	1.3700			West	1.0800	1.2600	1.1400	1.2300	<b>WPC 34%</b>				
Change	N.C.	N.C.			Change	-0.0200	N.C.	-0.0100	0.0200	Central/West	0.9400	1.1500	0.9500	1.0500
West Low/Med. Heat	1.1775	1.2600	1.1900	1.2400	<b>DRY WHEY</b>					Change	0.0100	N.C.	N.C.	0.0200
Change	0.0125	-0.0100	0.0100	0.0100	Central	0.4400	0.5250	0.4750	0.5000	<b>CASEIN</b>				
West High Heat	1.3075	1.4725			Change	0.0150	0.0250	0.0350	0.0275	Rennet	3.6000	3.9000		
Change	-0.0100	-0.0050			West	0.4400	0.5400	0.4600	0.5100	Change	N.C.	N.C.		
<b>DRY WHOLE MILK</b>					Change	0.0200	0.0200	0.0200	0.0200	Acid	3.6000	4.0000		
National	2.0000	2.2000			Northeast	0.4300	0.5050			Change	N.C.	N.C.		
Change	N.C.	N.C.			Change	0.0200	0.0250			<b>ANIMAL FEED WHEY</b>				
									Central	0.3500	0.3700			
									Change	0.0200	N.C.			

**DAIRY MARKET NEWS PRICE SUMMARY FOR FEBRUARY 5 - 16, 2024**  
**PRICES (\$/MT) & CHANGES FROM PREVIOUS PUBLISHED PRICES**

Commodity	Range		Commodity	Range		Commodity	Range	
<b>SMP</b>			<b>WHOLE MILK POWDER</b>			<b>BUTTER</b>		
Europe	2575	2825	Europe	3825	4000	W. Europe	5525	5950
Change	-25	-50	Change	N.C.	-150	Change	-150	-75
Oceania	2750	2800	Oceania	3400	3425	Oceania	6425	6600
Change	175	50	Change	150	N.C.	Change	525	625
S. America	3000	3150	S. America	3500	3750	<b>BUTTEROIL</b>		
Change	N.C.	N.C.	Change	50	50	W. Europe	6450	7375
<b>DRY WHEY</b>						Change	-100	-50
W. Europe	775	1100				<b>CHEDDAR CHEESE</b>		
Change	-25	-25				Oceania	4275	4500
						Change	150	200