

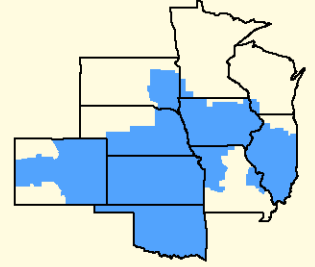
MAY 2024

Marketing Service

Bulletin

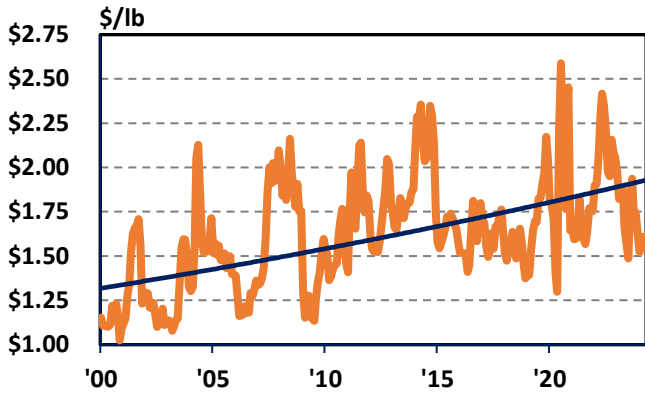


Facilitating the efficient marketing of milk and dairy products.



CENTRAL MARKETING AREA

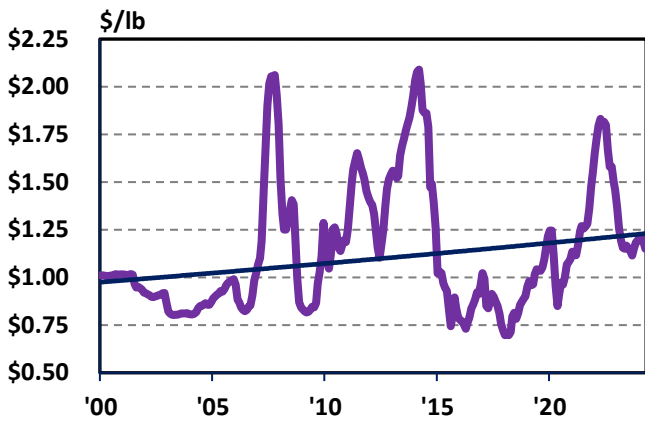
AMS / NASS Wtd. Avg. Block/Barrel Cheese Price



A variety of economic factors affecting the U.S. dairy industry are illustrated by the graphs in this bulletin. These graphs depict monthly data for 15 selected factors from January 2000 through the most current month of this year. A cursory examination of this data provides insight into the milk marketing environment in the U.S. during this time frame. While many of the price series depicted in this bulletin reached record high levels during 2022, AMS Butter hit a new high in 2023, AMS Block/Barrel cheese and Producer & Handler Protein prices reached record highs in 2020. Recently prices have been trending down since their peak in 2022 but when looking at the last 23 years they can be seen trending up.

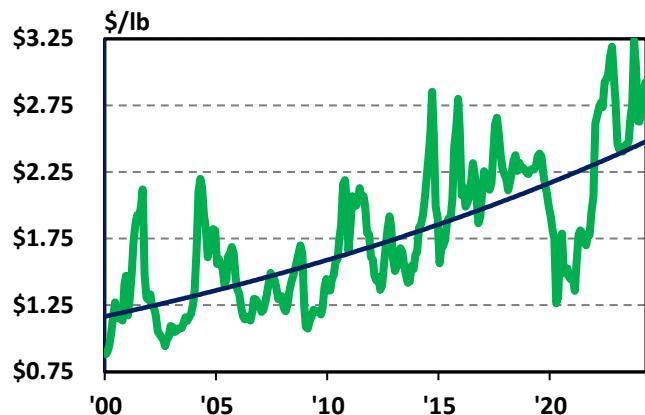


AMS / NASS Nonfat Dry Milk Price



Federal Milk Order (FMO) Class prices went down in 2023 but remain at an elevated level when compared to 5 years ago. The Federal Order Class I Price (\$2.00 Differential) averaged \$21.20 in 2023 down \$4.46 (17.38%) from 2022's average of \$25.66. The Central Order Statistical Blend Price has decreased back to levels seen before the record highs of 2022. Soybeans' elevated prices have continued into 2023 for most of the year with prices beginning to fall towards the end of 2023. Corn prices have moved similarly to soybean also continuing their high prices into mid-2023 then beginning to decline.

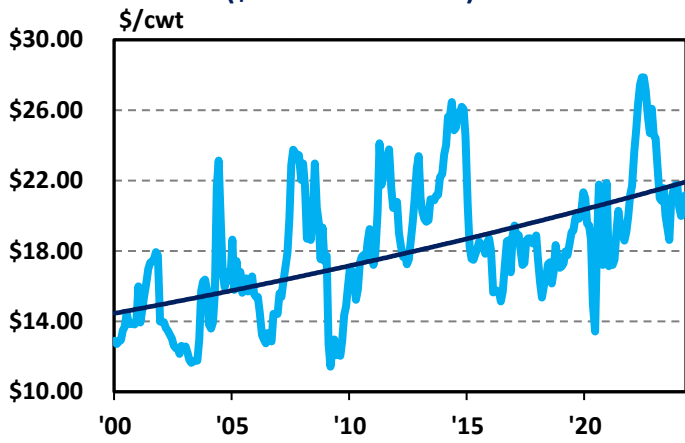
AMS / NASS Butter Price



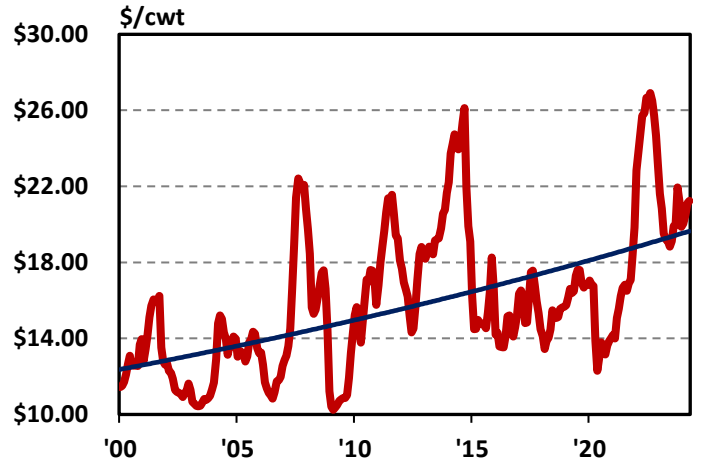
Two non-price data series are depicted in this bulletin – U.S. milk production and FMO Class I producer receipts. U.S. milk production, portrayed in the bottom left graph on page three, registered a decrease in annual production in 2023 compared to 2022. In the past 25 years annual milk production has only decreased three times versus the previous year. In contrast to U.S. milk production, FMO Class I producer receipts were on a downward trajectory from 2009 through late 2018, as indicated by the third graph on page three. The addition of California injected a large amount of milk into the Class I receipts, but the downward trend of Class I continued.

The graphs on this page illustrate three commodity price series that have a direct impact on Federal Milk Order minimum prices. The six graphs on page two along with the first graph on page three depict FMO prices applicable to dairy farmers and/or regulated milk processors. A variety of factors that directly and indirectly influence the economic environment for milk production and processing are portrayed by the remaining graphs on page three.

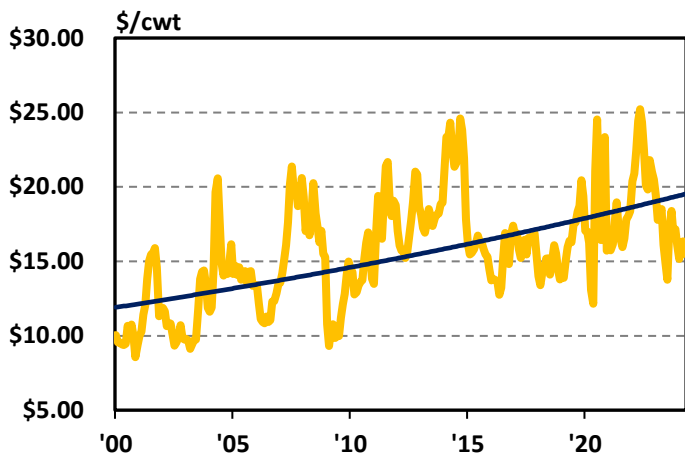
Federal Order Class I Price
(**\$2.00 Differential**)



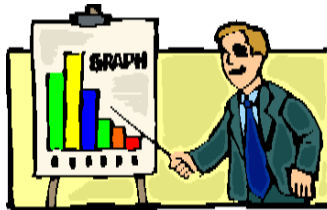
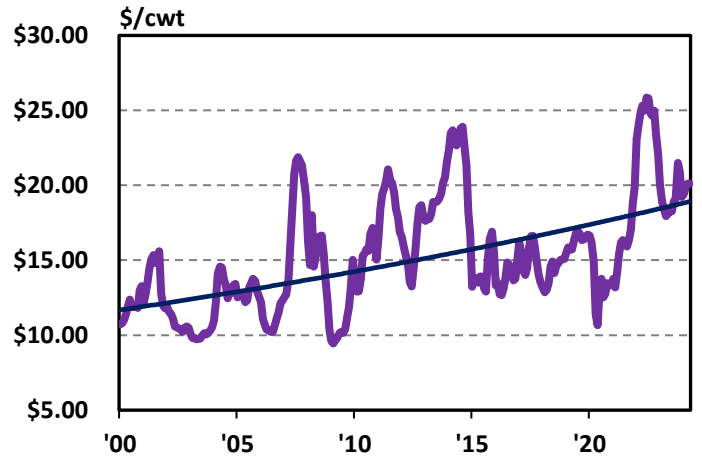
Federal Order Class II Price



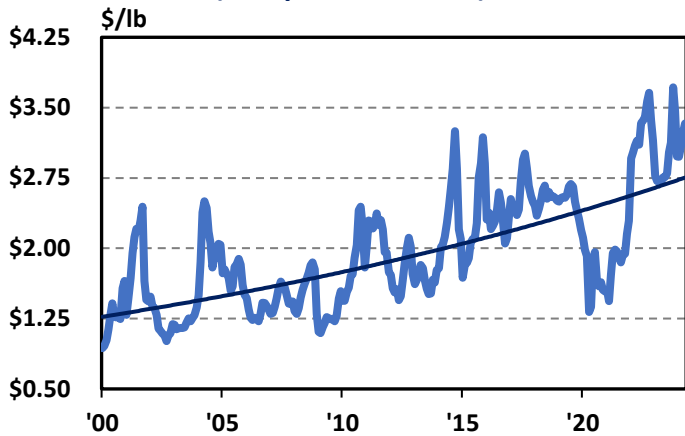
Federal Order Class III Price



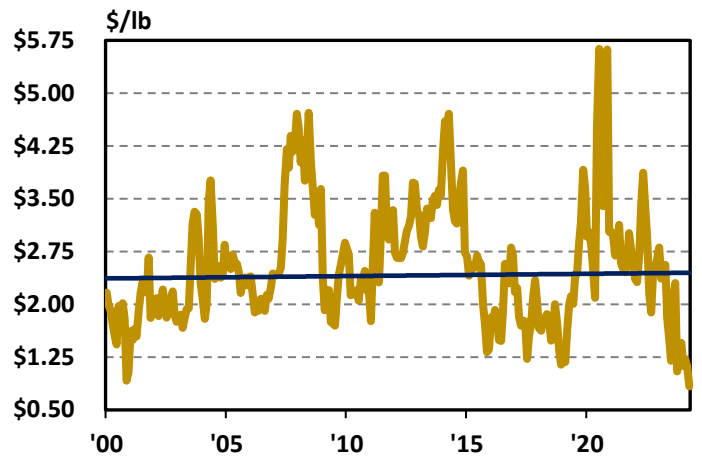
Federal Order Class IV Price



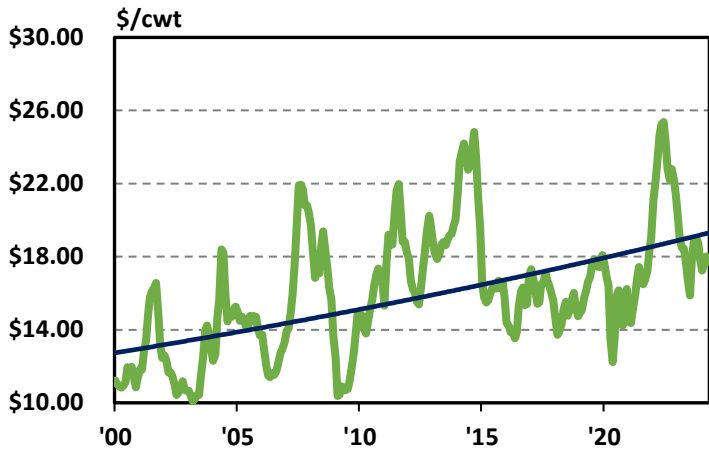
Producer Butterfat Price
(**Component Orders**)



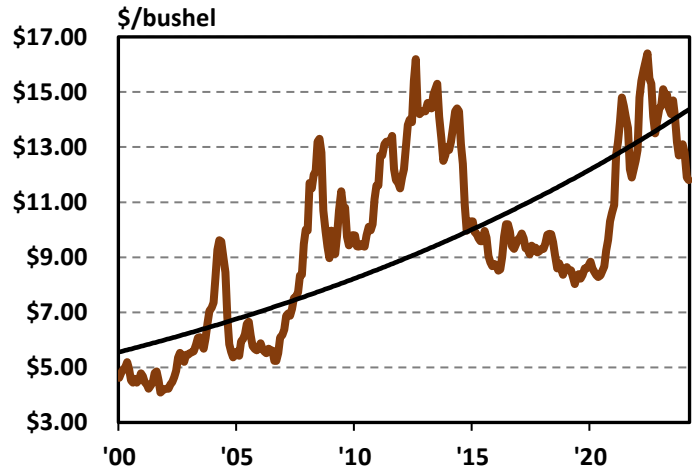
Producer & Handler Protein Price



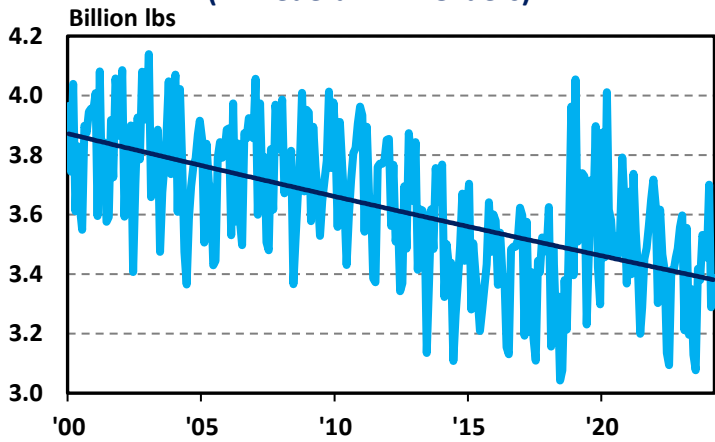
Central Federal Order Statistical Blend Price



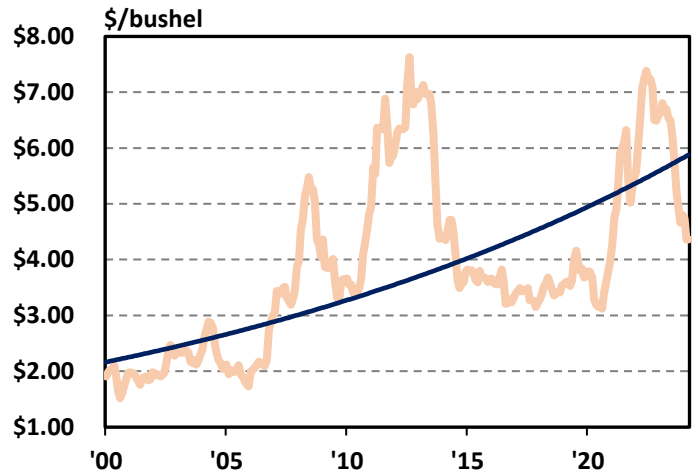
Soybeans - US Avg Price



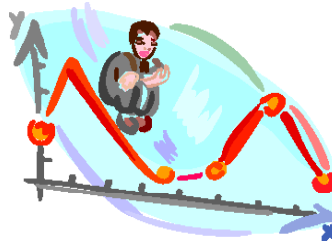
Class I Producer Receipts (All Federal Milk Orders)*



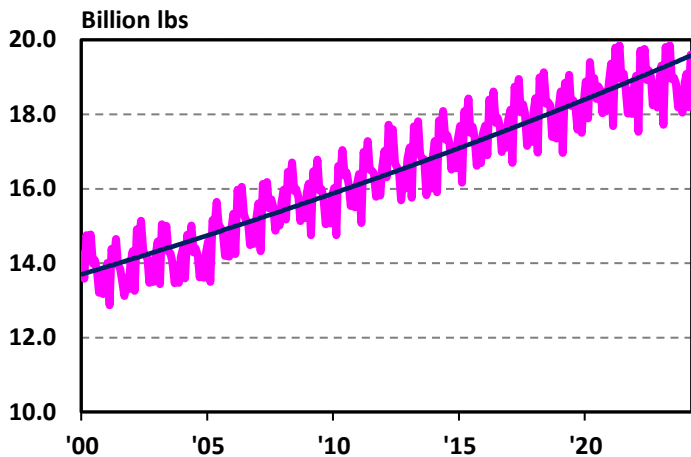
Corn - U.S. Avg Price



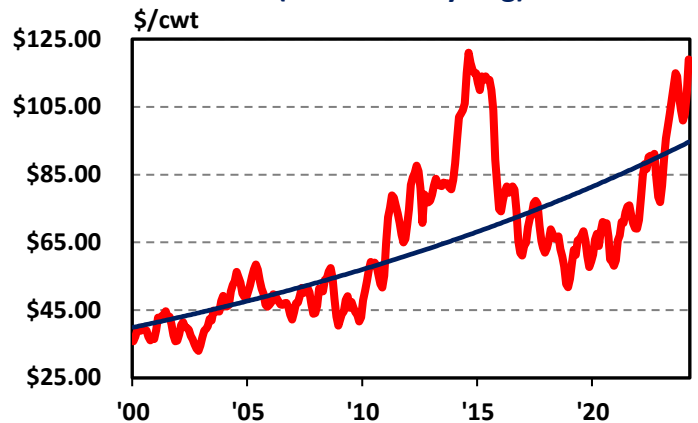
*The California Order became effective November 2018



Estimated U.S. Milk Production



Beef & Dairy Cow Slaughter Prices (U.S. Monthly Avg)





**United States
Department of
Agriculture**

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U.S. POSTAGE
PAID
OLATHE, KS
PERMIT NO. 377

FEDERAL MILK MARKET ADMINISTRATOR
P.O. BOX 14650
SHAWNEE MISSION, KANSAS 66285-4650

FIRST CLASS

Website: www.fmmacentral.com
E-mail: market.administrator@fmmacentral.com
Phone: 913-495-9300

	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	<u>Apr '24</u>	<u>Mar '24</u>	<u>Apr '24</u>	<u>Mar '24</u>	<u>Apr '24</u>	<u>Mar '24</u>
Northeast	20.09	20.18	4.59	3.84	29.22	28.13
Appalachian	21.80	21.60	-----	-----	69.26	65.73
Florida	23.94	23.75	-----	-----	81.97	82.07
Southeast	22.27	22.07	-----	-----	70.88	65.51
Upper Midwest	15.95	16.70	0.45	0.36	5.95	5.74
Central	17.70	18.02	2.20	1.68	29.02	27.70
Mideast	18.27	18.64	2.77	2.30	39.78	38.62
California	17.34	17.77	1.84	1.43	19.47	18.41
Pacific Northwest	18.26	18.41	2.76	2.07	21.08	20.03
Southwest	18.22	18.48	2.72	2.14	30.10	28.37
Arizona	19.44	19.04	-----	-----	34.46	27.23

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