

WESTERNUNITEDDAIRIES

WEEKLY UPDATE | JANUARY 31, 2023

CEO Update on Seen & Herd

This week, Allison Tristao interviews Anja Raudabaugh, CEO of Western United Dairies. They discuss the kickoff of the Dairy Leaders Program, this year's challenges, and the World AG Expo (WAE). Anja also briefly discussed the state budget, unveiled by Governor Newsom earlier this month.

If you have any questions regarding topics covered in this episode, please contact Allison at allison@wudairies.com

A PODCAST BY
WESTERNUNITEDDAIRIES



World Ag Expo Seminar Schedule

Stop by our booth at #6503 & #6603 in the Farm Credit Dairy Center, where we will have free gifts and seminars for WUD members.

TUESDAY, FEBRUARY 14TH

10am - 12pm: Get Free Legal Advice, Anthony Raimondo with Raimondo and Associates

12 - 1pm: Learn about Hiring with Lecheros Unidos de California

1 - 3pm: Get Free Legal Advice, Anthony Raimondo with Raimondo and Associates

3 - 5pm: Chat with the CEO, Anja Raudabaugh

WEDNESDAY, FEBRUARY 15TH

9 - 10am: Learn about Hiring with Lecheros Unidos de California

10am - 12pm: What's the Deal? Dairy Economics with Tiffany LaMendola

12 - 1pm: Learn about Hiring with Lecheros Unidos de California

1 - 3pm: Dairy Environmental In-the-Know, Paul Sousa

3 - 5pm: Chat with the CEO, Anja Raudabaugh

THURSDAY, FEBRUARY 16TH

9 - 11am: What's the Deal? Dairy Economics with Tiffany LaMendola

1 - 3pm: Dairy Environmental In-the-Know, Paul Sousa

Weekly Update Delivery Options

Send change of address or request for delivery to WUD by phone or email at:
(209)527-6453
info@wudairies.com

Struggling with Depression?

Call 1-800-784-2433 any time, 24x7, for a live, trained person to talk with or to find local resources.

LUC: Lecheros Unidos de California

Western United Dairies is proud to host LUC, a clearinghouse of resources to assist in all aspects of searching for and hiring employees for your dairy.

LUC services are offered in Spanish & English & include:

- Free advertisement of job postings to a wide audience of potential employees
- Phone call interviews with translation services
- Access to a pool of pre-screened employees with dairy experience

For more information, visit:
westernuniteddairies.com/lecheros-unidos

LandFlex Seminar Announced at World Ag Expo in February

Anja Raudabaugh and Almond Alliance CEO, Aubrey Bettencourt, will be hosting a seminar on **Tuesday, February 14, from 11:00 AM - 11:55 AM, in Seminar Trailer 3,** where they will cover the LandFlex program.

The Department of Water Resources (DWR) has launched the LandFlex Program as a new and innovative tool to protect drinking water wells by partnering directly with farmers and Groundwater Sustainability Agencies. LandFlex will provide \$25 million in block

grants to local government agencies to grant to farmers who voluntarily limit agricultural groundwater use near drought-stricken communities whose drinking water wells have gone dry or are close to going dry. LandFlex will provide community benefits such as reduced pressures on drinking water wells, groundwater overdraft prevention, and climate resilience.

LandFlex Technical Assistance Providers, Western United Dairies Foundation and the Almond Alliance, have been selected as DWR's partners to provide outreach, information, and assistance to any and all interested applicants. WUD CEO Anja Raudabaugh and Alliance President & CEO Aubrey Bettencourt will present a program overview, details on eligibility and applications, and answer any questions.

For more information about the program visit LandFlex.org.

TAKING CARE OF AG BUSINESS
February 14-16, 2023

See you in Tulare!
WORLD AG EXPO
TULARE 2023

WORLD AG EXPO SEMINAR
DROUGHT RELIEF
Introduction to the LandFlex Program

Aubrey Bettencourt
Almond Alliance

Anja Raudabaugh
WESTERN UNITED DAIRIES

Tuesday, February 14 **11:00 AM - 11:55 AM PST**

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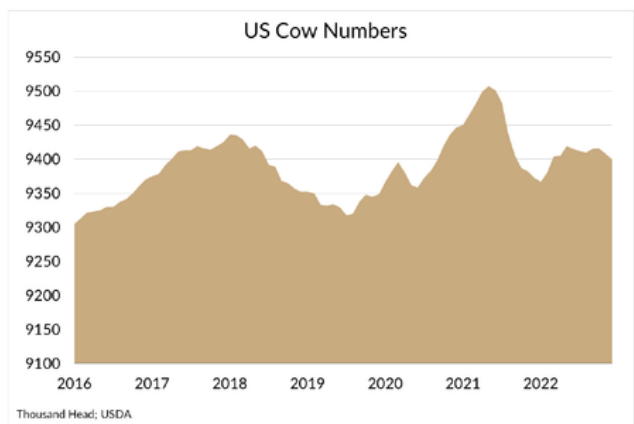
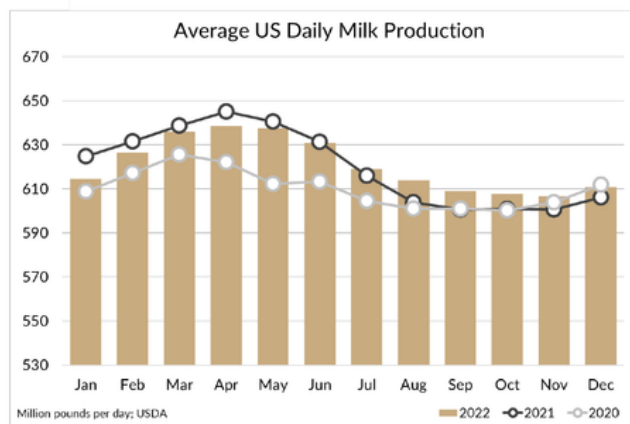
WEEKLY MARKET UPDATE

US milk production reached 18.93 billion pounds in December, 0.8% higher versus 2021, but well below pre-report expectations. California output rose 0.3% year-over-year, compared to a 0.5% decrease the month before.

- The dairy herd reached 9.4 million head in December, down 8,000 head on the month to the lowest level since February 2022.
- In the latest Cold Storage report, USDA pegged US total cheese stocks at 1.44 billion pounds as of December 31, up 0.2% (+3.0 million pounds) year-over-year.
- CME cheese markets had a volatile week, surging early before dropping and then rising again. Blocks finished the week up more than 10 cents, while barrels settled down slightly versus the Friday before.
- US butter inventories totaled 216 million pounds in December, up 8.7% (+17.3 million pounds) versus 2021, the first year-over-year increase since July 2021.
- Butter dropped early before holding steady for the rest of the week as contacts suggest


demand remains tepid.

- At the latest GlobalDairyTrade Pulse event, whole milk powder prices settled at \$3,200 per metric ton, or \$1.45 per pound, up 0.9% versus the previous Pulse, but down 0.3% from the most recent main auction. CME milk powder prices continued to drift lower in Chicago, settling below \$1.20 per pound.
- Varying demand and weather reports created some up-and-down movement in nearby corn and soybean markets, with both settling up slightly week-over-week. Corn exports were within the predicted range, at 910,400 metric tons for the old crop and 15,500 metric tons for the new. Meanwhile, old-crop soybean sales totaled 1.1 million metric tons, at the high end of expectations, while 129,000 metric tons of the new crop sold, well above the predicted range.



Dairy Revenue Protection Program			
	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
April - June 2023			
	Class III	\$18.53	\$17.61
	Class IV	\$18.37	\$17.45
July - September 2023			
	Class III	\$19.53	\$18.56
	Class IV	\$19.12	\$18.16
October - December 2023			
	Class III	\$19.71	\$18.73
	Class IV	\$19.63	\$18.65
January - March 2024			
	Class III	\$19.00	\$18.05
	Class IV	\$18.38	\$17.46
April - June 2024			
	Class III	\$18.90	\$17.96
	Class IV	\$17.90	\$17.01

*As of 1/27/2023 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Jan-23	\$1.9900	\$1.6700	\$2.2825	\$1.1725	\$0.3275
Jan-24	\$1.9875	\$1.6650	\$2.2675	\$1.1675	\$0.3250
Jan-25	\$1.9175	\$1.5725	\$2.2675	\$1.1650	\$0.3300
Jan-26	\$1.9600	\$1.5900	\$2.2675	\$1.1625	\$0.3125
Jan-27	\$1.9600	\$1.5525	\$2.2725	\$1.1525	\$0.3275
Average	\$1.9630	\$1.6100	\$2.2715	\$1.1640	\$0.3245
Weekly Change	0.1250	-0.0275	-0.0500	-0.0225	0.0025

Order 51: Latest Prices					
	Oct	Nov	Dec	Jan	Feb
Class I LA	\$25.01	\$26.39	\$24.88	\$24.71	\$23.08
Class II	\$25.73	\$24.67	\$23.11		
Class III	\$21.81	\$21.01	\$20.50		
Class IV	\$24.96	\$23.30	\$22.12		
PPD	\$1.07	\$1.34	\$1.08		
Blend: LA*	\$22.88	\$22.35	\$21.58		
Blend: Tulare*	\$22.38	\$21.85	\$21.08		

*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
	Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin
2022 Program	Jul-22	\$ 25.70	\$ 15.78	\$ 9.92	\$ -
	Aug-22	\$ 24.30	\$ 16.22	\$ 8.08	\$ 1.42
	Sep-22	\$ 24.40	\$ 15.78	\$ 8.62	\$ 0.88
	Oct-22	\$ 25.90	\$ 15.19	\$ 10.71	\$ -
	Nov-22	\$ 25.60	\$ 14.71	\$ 10.89	\$ -
	Dec-22	\$ 24.01	\$ 14.64	\$ 9.37	\$ 0.13
2023 Program	Jan-23	\$ 22.60	\$ 14.47	\$ 8.13	\$ 1.37
	Feb-23	\$ 21.19	\$ 14.63	\$ 6.56	\$ 2.94
	Mar-23	\$ 20.44	\$ 14.45	\$ 5.99	\$ 3.51
	Apr-23	\$ 20.17	\$ 14.43	\$ 5.74	\$ 3.76
	May-23	\$ 20.17	\$ 14.41	\$ 5.76	\$ 3.74
	Jun-23	\$ 20.40	\$ 14.00	\$ 6.40	\$ 3.10
	Jul-23	\$ 20.58	\$ 13.92	\$ 6.66	\$ 2.84
	Aug-23	\$ 21.17	\$ 13.58	\$ 7.59	\$ 1.91
	Sep-23	\$ 21.63	\$ 13.25	\$ 8.38	\$ 1.12
	Oct-23	\$ 22.01	\$ 13.19	\$ 8.82	\$ 0.68
	Nov-23	\$ 22.26	\$ 13.14	\$ 9.12	\$ 0.38
	Dec-23	\$ 22.19	\$ 13.08	\$ 9.12	\$ 0.38

Estimates only. As of 1/27/2023 and based on futures markets which can change daily.

