

WESTERN UNITED DAIRIES

WEEKLY UPDATE | JANUARY 30, 2024

New on Seen & Herd: Enviro Insights with Paul Sousa

Seen & Herd returns with Paul Sousa this week. The Director of Environmental Services & Regulatory Affairs at Western United Dairies gives us an environmental/regulatory update from this month's board meeting.

Paul touches on ARB, COP 28 – United Nations Climate Change Conference, Low Carbon Fuel Standards (LCFS), Central Valley Water Board (CVWB) – Priority 2 Zones, and CDFA Dairy Methane Funding.

For questions on any of the topics Paul covered this week, please reach out to him at paul@wudairies.com.

Listen to the episode on your favorite podcast platform or on our website at wudairies.com.



Upcoming PRB Meeting Notice

February 5, 2024

10:00 am

Stanislaus County Ag Commissioner's Office

Harvest Hall – Room D & E

3800 Cornucopia Way, Suite B, Modesto, CA 95358

****Teleconference NOT Available for this Meeting****

[SEE AGENDA](#)

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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

Come See us at the World Ag Expo!

It's that time of year! If you are visiting the World Ag Expo in Tulare, stop by our booth, where we will have gifts for WUD members.

Seminars will be hosted at our booth and will cover topics such as Lecheros Unidos, environmental updates, dairy economics, and free legal advice from Raimondo and Associates. See the seminar schedule to plan out your visit:



TUESDAY 2/13

- 11:00am – 1:00pm: Learn about Hiring with Lecheros Unidos
- 1:00pm – 3:00pm: Chat with the CEO, Anja Raudabaugh
- 3:00pm – 5:00pm: Environmental In-The-Know, Paul Sousa

WEDNESDAY 2/14

- 10:00am – 12:00pm: Dairy Economics with Tiffany LaMendola
- 1:00pm – 3:00pm: Environmental In-The-Know, Paul Sousa
- 3:00pm – 5:00pm: Chat with the CEO, Anja Raudabaugh

THURSDAY 2/15

- 10:00am – 2:00pm: Free Legal Advice with Anthony Raimondo of Raimondo and Associates

Groundwater Recharge Session Announced at World Ag Expo

Wednesday, February 14
11:30 AM – 12:25 PM PST
Seminar Trailer 3

Presented by Western United Dairies and the Almond Alliance, Anja Raudabaugh and Aubrey Bettencourt will dive into California's water sustainability, exploring innovative strategies and emphasizing the crucial role of groundwater recharge in ensuring resilience and productivity for the state's agriculture.

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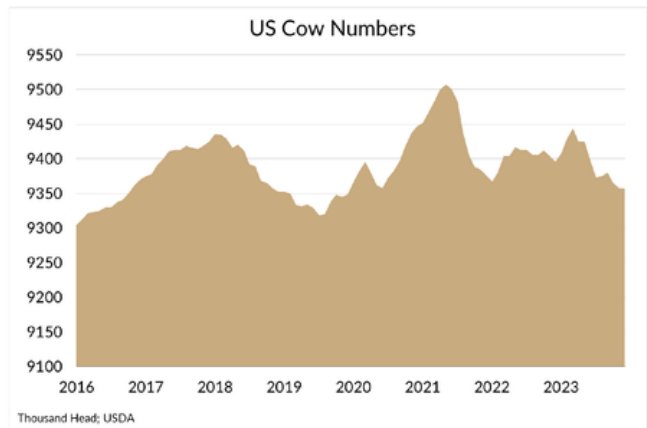
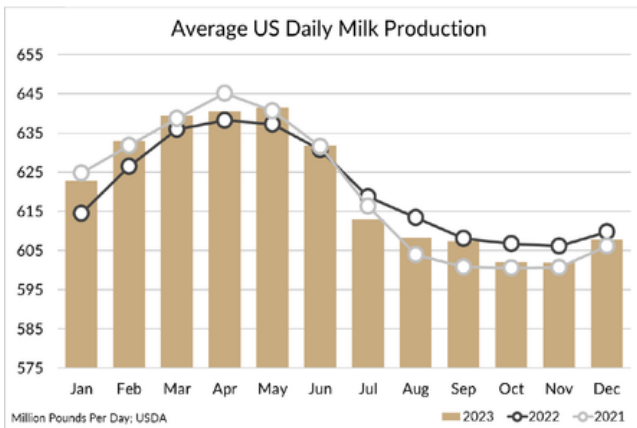
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WEEKLY MARKET UPDATE


US December milk output totaled 18.8 billion pounds, down 0.3% on the year and just slightly below predictions for a flat comparison. The main dairy-producing regions kept up recent trends, with California down 1.0% and the Southwest posting a 2.8% loss.

- Despite expectations for minor growth after historically low December slaughter data, the US dairy herd contracted to 9.357 million head. That’s down 1,000 versus November and – 39,000 on the year.
- December ended with US butter inventories tighter than expected, supporting anecdotal evidence that demand is solid. In the latest Cold Storage report, USDA pegged US butter stocks at 199.5 million pounds, down 6.2% (-13.1 million pounds) on the month. That’s the largest November-to-December decrease since 2003.
- Lower stocks lit a fire under the CME butter market. Prices surged to the \$2.70s, the highest level since November.
- US total cheese stocks reached 1.443 billion pounds in December, mostly flat on a month-to-month and yearly basis and mostly in line with recent reports of comfortable supplies.
- The spot block market climbed higher through the week as recent lower prices encouraged buying. Barrel prices moved lower for most of the week, before regaining lost ground on Friday.
- In Chicago, the nonfat dry milk market rose over the \$1.20-per-pound mark, reaching the highest price since November. The latest GlobalDairyTrade Pulse event suggested skim milk powder prices may climb at the next main auction, giving more support to US markets.
- Nearby corn and soybean contracts climbed for the first part of the week, rebounding after post-WASDE weakness. But soft export news sent prices downward Thursday and Friday.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
April - June 2024		
Class III	\$17.33	\$16.47
Class IV	\$20.03	\$19.03
July - September 2024		
Class III	\$18.21	\$17.30
Class IV	\$20.53	\$19.50
October - December 2024		
Class III	\$18.18	\$17.27
Class IV	\$20.45	\$19.43
January - March 2025		
Class III	\$17.91	\$17.01
Class IV	\$19.09	\$18.14
April - June 2025		
Class III	\$18.00	\$17.10
Class IV	\$18.13	\$17.22

*As of 1/26/2024 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Jan-22	\$1.6425	\$1.4675	\$2.5450	\$1.1750	\$0.4275
Jan-23	\$1.5000	\$1.4600	\$2.5450	\$1.1900	\$0.4350
Jan-24	\$1.5000	\$1.4575	\$2.5775	\$1.1925	\$0.4425
Jan-25	\$1.5225	\$1.4400	\$2.6875	\$1.2025	\$0.4425
Jan-26	\$1.5375	\$1.4700	\$2.7600	\$1.2200	\$0.4425
Average	\$1.5120	\$1.4590	\$2.6230	\$1.1960	\$0.4380
Weekly Change	0.0975	0.0025	0.2150	0.0450	0.0150

Order 51: Latest Prices					
	Oct	Nov	Dec	Jan	Feb
Class I LA	\$21.77	\$22.05	\$22.06	\$20.78	\$20.29
Class II	\$21.95	\$21.21	\$19.88		
Class III	\$16.84	\$17.15	\$16.04		
Class IV	\$21.49	\$20.87	\$19.23		
PPD	\$1.76	\$1.42	\$1.51		
Blend: LA*	\$18.60	\$18.57	\$17.55		
Blend: Tulare*	\$18.10	\$18.07	\$17.05		

*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin	
2024 Program	Jan-24	\$ 19.59	\$ 10.98	\$ 8.61	\$ 0.89
	Feb-24	\$ 20.13	\$ 10.89	\$ 9.24	\$ 0.26
	Mar-24	\$ 20.26	\$ 10.80	\$ 9.46	\$ 0.04
	Apr-24	\$ 20.22	\$ 10.87	\$ 9.35	\$ 0.15
	May-24	\$ 20.29	\$ 10.94	\$ 9.35	\$ 0.15
	Jun-24	\$ 20.56	\$ 11.01	\$ 9.54	\$ -
	Jul-24	\$ 20.70	\$ 11.08	\$ 9.62	\$ -
	Aug-24	\$ 21.08	\$ 11.13	\$ 9.95	\$ -
	Sep-24	\$ 21.45	\$ 11.17	\$ 10.28	\$ -
	Oct-24	\$ 21.70	\$ 11.19	\$ 10.51	\$ -
	Nov-24	\$ 21.88	\$ 11.24	\$ 10.65	\$ -
	Dec-24	\$ 21.55	\$ 11.28	\$ 10.27	\$ -

Estimates only. As of 1/26/2024 and based on futures markets which can change daily.

