

WESTERNUNITEDDAIRIES

WEEKLY UPDATE | FEBRUARY 20, 2024

Thank You!

We want to thank everyone who came out to see us at the World Ag Expo in Tulare last week, and to the members who shared their family/dairy photos with us! It's always a pleasure to see our members.

We'll see you next year!



New on Seen & Herd: LandFlex Seminar from the World Ag Expo

This week on Seen & Herd, we have a recording of the LandFlex seminar from the World Ag Expo. Anja Raudabaugh, CEO of Western United Dairies, and Aubrey Bettencourt, CEO of the Almond Alliance, presented a LandFlex recap and discussed the immediate impact the program has made.



Listen on your favorite podcast platform or wudairies.com. For questions about LandFlex, please contact Anja at anja@wudairies.com.

California Milk Advisory Board – March Board Meeting

Wednesday, March 6, 2024 – 7:30 a.m.

Thursday, March 7, 2024 – 8:00 a.m.

Wine & Roses
2505 W. Turner Road • Lodi, CA 95242

The CMAB Board meeting is open to any California dairy producer. If interested in attending, please RSVP to Tracy Garza at tggarza@cmab.net or 209-690-8252.

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

USDA California Farm Service Agency Offers Assistance to Producers Affected by Recent Winter Storms

California Farm Service Agency (FSA) offers disaster assistance to assist farmers and ranchers in their recovery efforts following recent heavy rains and flooding. Farmers and ranchers who have been affected by recent winter storms can contact their [local Farm Service Agency Office](#) to receive assistance.

[LEARN MORE](#)

California Dairy Sustainability Summit | March 26, 2024 | Davis

The fourth [California Dairy Sustainability Summit](#) will be held as a one-day event on March 26, 2024, at the UC Davis Conference Center. The Summit brings together the dairy community, along with policymakers, regulators, researchers, supply chain partners, and other stakeholders to discuss the sustainability of California's family dairy farms. [Conference registration is now open.](#)

For those unable to come in person, [virtual registration](#) is complimentary for all dairy farmers using the code **DAIRYFARMER**. Virtual registration is also complimentary for all students (code **DFASStudent**), courtesy of Dairy Farmers of America.



California Dairy Sustainability Summit

March 26, 2024
UC Davis Conference Center

Register Today!



Hosted by:



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WEEKLY MARKET UPDATE

Soft demand is weighing on the CME block market, with prices dropping below the \$1.50-per-pound mark. But tighter supplies supported barrels, which bounced around before ending the week over \$1.60 for the first time since December.

- Anxiety continues to swirl around the CME butter market. While cream is readily available at prices below the five-year average, buyers remain concerned that there won't be enough butter to go around. The upcoming spring holidays aren't calming nerves, either. Spot butter prices spent the week climbing to the mid \$2.70s, while futures rose over \$2.80 per pound.
- Milk powder prices had a mixed session at the latest GlobalDairyTrade event. Skim milk powder advanced 1.1% to \$1.26 per pound, while whole milk powder slipped 2.2% to \$1.54 per pound. Weak global demand continues to cut into the CME nonfat dry milk market, which slipped on the week.
- USDA's Ag Outlook Forum encouraged bears in US grain markets, with ending stock projections for corn and soybeans suggesting

continued abundance. That news, plus ongoing demand softness helped drive nearby corn and soybean futures lower on the week.


- Inflation slowed a bit in January, but stayed ahead of expectations and above the Fed's target. Prices jumped 3.1% year-over-year compared to +3.4% in December. The food index rose 2.6% on the year, just slightly behind the previous month's +2.7%. Grocery prices climbed 1.2%, while the food-away-from-home index jumped 5.1% on the year.
- As prices rose, consumers pulled back in January. Retail sales reached \$700.3 billion, up just 0.6% on the year. But food spending stayed ahead of inflation, with grocery sales up 2.3% versus 2023 and restaurant spending up 6.3%.

CME Spot Cheddar Prices



Butter: CME Spot and Futures



Dairy Revenue Protection Program			
	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
April - June 2024			
Class III	\$17.53	\$16.65	\$0.20
Class IV	\$20.47	\$19.45	\$0.21
July - September 2024			
Class III	\$18.53	\$17.61	\$0.34
Class IV	\$21.15	\$20.09	\$0.36
October - December 2024			
Class III	\$18.52	\$17.59	\$0.44
Class IV	\$21.25	\$20.18	\$0.53
January - March 2025			
Class III	\$17.93	\$17.03	\$0.48
Class IV	\$19.22	\$18.26	\$0.58
April - June 2025			
Class III	\$17.96	\$17.06	\$0.55
Class IV	\$18.35	\$17.43	N/A
*As of 2/16/2024 for 95% coverage, 1.0 Protection Factor			
		Tiffany LaMendola 209.768.6313	

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Feb-12	\$1.5850	\$1.5950	\$2.7125	\$1.2000	\$0.5200
Feb-13	\$1.5850	\$1.6000	\$2.7125	\$1.1925	\$0.5200
Feb-14	\$1.5150	\$1.5750	\$2.7175	\$1.1800	\$0.5200
Feb-15	\$1.4925	\$1.5550	\$2.7275	\$1.1750	\$0.5300
Feb-16	\$1.4800	\$1.6075	\$2.7500	\$1.1700	\$0.5200
Average	\$1.5315	\$1.5865	\$2.7240	\$1.1835	\$0.5220
Weekly Change	-0.1050	0.0125	0.0375	-0.0300	0.0000
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	\$20.04	
Class III	\$16.84	\$17.15	\$16.04	\$15.17	
Class IV	\$21.49	\$20.87	\$19.23	\$19.39	
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	\$ 19.78	\$ 10.95	\$ 8.83	\$ 0.67
	Feb-24	\$ 20.39	\$ 10.65	\$ 9.74	\$ -
	Mar-24	\$ 20.58	\$ 10.43	\$ 10.15	\$ -
	Apr-24	\$ 20.58	\$ 10.48	\$ 10.10	\$ -
	May-24	\$ 20.59	\$ 10.52	\$ 10.07	\$ -
	Jun-24	\$ 20.85	\$ 10.59	\$ 10.26	\$ -
	Jul-24	\$ 21.05	\$ 10.66	\$ 10.40	\$ -
	Aug-24	\$ 21.54	\$ 10.70	\$ 10.84	\$ -
	Sep-24	\$ 22.02	\$ 10.73	\$ 11.28	\$ -
	Oct-24	\$ 22.37	\$ 10.76	\$ 11.61	\$ -
	Nov-24	\$ 22.65	\$ 10.81	\$ 11.84	\$ -
	Dec-24	\$ 22.18	\$ 10.86	\$ 11.31	\$ -
Estimates only. As of 2/16/2024 and based on futures markets which can change daily.					

