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!



Norma, Kyle & Rashell WAE 2024

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

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 tgarza@cmab.net or 209-690-8252.

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 DFAStudent), courtesy of Dairy Farmers of America.



UC Davis Conference Center



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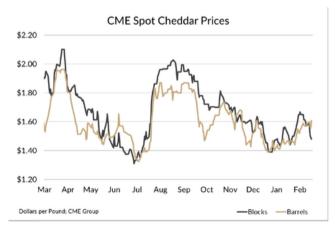


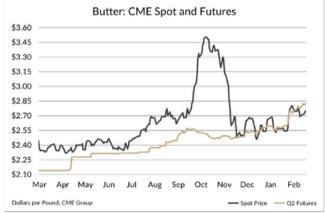
WEEKLY MARKET UPDATE

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%.





Dairy Revenue Protection Program						
	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)			
April - June 2	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 - De						
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						

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USDA Dairy Margin Coverage (per CWT)										
	Month	Month All Milk		Feed			Margin Estimate		Indemnity Estimate @ 9.50 Margin	
	Jan-24	\$	19.78	\$	10.95	\$	8.83	\$	0.67	
2024 Program	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	Ac of 2/16	2024 and hace	d on futures n	narkets which c	an change daily.
Estillates offi	y. AS UI 2/ 10/	2024 and base	J OII TULUI CS II	ildi KELS WIIICII C	all change daily.

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	
	Orde	er 51: Lat	est 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

