WESTERNUNITEDDAIRIES

WEEKLY UPDATE | JUNE 4, 2024

CDPH HPAI PPE Distribution

The Centers for Disease Control and Prevention (CDC) issued a Health Alert Network (HAN) Health Advisory on April 5, 2024 regarding a confirmed human infection with highly pathogenic avian influenza (HPAI) A(H5NI) virus, and on May 22, 2024, a second case in the United States following exposure to infected dairy cattle has been confirmed. To date, HPAI has not been detected in dairy cattle in California. CDC and CDPH believe that the risk of infection to the general public is low. However, individuals with close exposure to infected birds or other animals, such as livestock, have a greater risk of infection.

(continued on page 2)

New on Seen & Herd: Sacramento Legislative Update: Bills on the Move

This week on Seen & Herd, we provide important update on the legislative landscape in Sacramento, focusing on the status of various bills and their implications for the agricultural sector. Our guest, Anja Raudabaugh, delves into the details of two key bills: AB 2436, concerning cattle inspection fees, and AB 2079, which aims to regulate high-capacity wells.



We discuss the legislative process, the current fiscal constraints, and the ongoing negotiations to ensure fair and effective regulations. Tune in to learn about the critical developments and how they impact us.

If you have questions about this episode, please reach out to us at <u>podcast@wudairies.com</u> or at <u>Anja@wudairies.com</u>.

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 prescreened employees with dairy experience

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

(continued) CDPH HPAI PPE Distribution

As recommended by the CDC on May 6, 2024 [link the guidance doc here], CDPH is supporting a one-time distribution of personal protective equipment (PPE) for dairy farmworkers and others handling raw milk, as well as slaughterhouse and poultry workers. CDPH is working closely with the California Department of Food and Agriculture (CDFA) around PPE distribution to farms and agricultural workers. The idea is to get supplies closer to where needed ahead of increased risk in an enhanced preparedness stance, demonstrating our shared prioritization of worker wellbeing.

For facilities interested in ordering a one-time supply of PPE, please refer to the attached Facility PPE Ordering Instructions. **The deadline for orders is June 9th.**

Please find an education document in both English and Spanish attached intended for farm owners and workers.

ONE-TIME PROVISION OF PPE FOR DAIRY FARM, POULTRY FARM, AND SLAUGHTERHOUSE WORKERS

> WORKER PROTECTION FROM THE BIRD FLU

HOW TO REQUEST PERSONAL
PROTECTIVE EQUIPMENT (PPE) FOR
FARMWORKERS TO PROTECT AGAINST
AVIAN INFLUENZA ("BIRD FLU)"

PROTECCIÓN DEL TRABAJADOR CONTRA LA INFLUENZA AVIAR

LUC Corner Update

Lecheros Unidos de California (LUC) will be closed for maintenance from June 10, 2024 - September 9, 2024. We will follow up about any pending items upon reopening in September.

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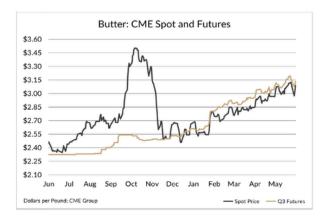


WEEKLY MARKET UPDATE

After USDA's April Cold Storage report showed there's plenty of butter in warehouses, the CME market slid into the \$2.90s. But any bearish sentiment was shortlived, as prices climbed back into the \$3 range in the second half of the week.

- With cheese supplies shaking loose, CME blocks and barrels continued to slip lower through most of the week. Spot blocks finished Friday in the low-\$1.80s, while barrels dipped to the mid-\$1.90s.
- Even with the drop in spot cheese, Q3 Class III contracts decreased, then rebounded to \$20.39 per hundredweight, gaining 44 cents on the week. But Class IV tumbled, landing at \$21.50 per hundredweight, down 42 cents.
- Milk powder prices mostly ticked higher at the latest GlobalDairyTrade Pulse event. But it wasn't enough to make much change in the CME nonfat dry milk market. Global demand remains ho-hum, keeping spot prices rangebound below \$1.20 per pound.
- US grain planting is moving along at a healthy clip. As of May 26, 83% of the corn crop was

- in the ground, up slightly from the five-year average of 82%. Soybean planting was 68% complete compared to 63% on the five-year average
- With speedy planting and promising weather forecasts, nearby grain futures dropped. The July corn contract settled at \$4.4625 per bushel, down 18.5 cents, while soybeans fell to \$12.0500 per bushel, 43 cents lower.
- New data shows Americans are having a tough time making ends meet. In April, real disposable personal income—the amount of money consumers have to spend—shrank for the fifth month in a row, up just 1.0% on the year.
- There will be no Dairy Margin Coverage (DMC) payment for the month of April with FSA announcing a margin of \$9.60.





Dairy Revenue Protection Program							
	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)				
July - Septer	mber 2024						
Class III	\$20.39	\$19.37	\$0.27				
Class IV	\$21.50	\$20.42	\$0.19				
October - D	ecember 2024						
Class III	\$19.59	\$18.61	\$0.39				
Class IV	\$21.52	\$20.45	\$0.39				
January - Ma	arch 2025						
Class III	\$18.80	\$17.86	\$0.43				
Class IV	\$20.85	\$19.81	\$0.48				
April - June	2025						
Class III	\$18.59	\$17.66	\$0.50				
Class IV	\$20.36	\$19.34	\$0.54				
July - Septer	mber 2025						
Class III	\$18.50	\$17.58	\$0.59				
Class IV	\$19.50	\$18.53	\$0.59				
*As of 5/24/20	24 for 95% coverage	, 1.0 Protection Factor					

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	СМЕ	Commod	lity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey			
May-27								
May-28	\$1.8625	\$1.9800	\$3.0025	\$1.1700	\$0.3975 \$0.3950 \$0.4050			
May-29	\$1.8100	\$1.9600	\$2.9750	\$1.1650				
May-30	\$1.8100	\$1.9400	\$3.0300	\$1.1625				
May-31	\$1.8100	\$1.9400	\$3.0900	\$1.1675	\$0.4150			
Average	\$1.4585	\$1.5640	\$2.4195	\$0.9330	\$0.3225			
Weekly Change	-0.0600	-0.0400	-0.0325	-0.0075	0.0150			
Order 51: Latest Prices								
	Feb	Mar	Apr	May	Jun			
Class I LA	\$20.29	\$21.10	\$21.48	\$20.76	\$22.38			

	Feb	Mar	Apr	May	Jun	
Class I LA	\$20.29	\$21.10	\$21.48	\$20.76	\$22.38	
Class II	\$20.53	\$21.12	\$21.23			
Class III	\$16.08	\$16.34	\$15.50			
Class IV	\$19.85	\$20.09	\$20.11			
PPD	\$1.33	\$1.43	\$1.84			
Blend: LA*	\$17.41	\$17.77	\$17.34			
Blend: Tulare*	\$16.91	\$17.27	\$16.84			

Q3 2024: Class III and IV Futures

\$22.50 \$22.00 \$21.50 \$21.00 \$20.50 \$20.00 \$19.50

USDA Dairy Margin Coverage (per CWT)									
	Month	All Milk		Feed		Margin Estimate		Indemnity Estimate @ 9.50 Margin	
	Jan-24	\$	20.10	\$	11.62	\$	8.48	\$	1.02
	Feb-24	\$	20.60	\$	11.16	\$	9.44	\$	0.06
	Mar-24	\$	20.70	\$	11.05	\$	9.65	\$	-
	Apr-24	\$	20.50	\$	10.90	\$	9.60	\$	-
	May-24	\$	21.02	\$	10.97	\$	10.05	\$	-
2024	Jun-24	\$	21.63	\$	10.93	\$	10.71	\$	
Program	Jul-24	\$	22.22	\$	10.89	\$	11.33	\$	
	Aug-24	\$	22.81	\$	10.89	\$	11.93	\$	
	Sep-24	\$	23.12	\$	10.91	\$	12.21	\$	
	Oct-24	\$	23.33	\$	10.96	\$	12.38	\$	
	Nov-24	\$	23.33	\$	11.02	\$	12.31	\$	
	Dec-24	\$	22.80	\$	11.08	\$	11.72	\$	-

Estimates only. As of 5/31/2024 and based on futures markets which can

change daily.

\$19.00 \$18.50 \$18.00 Jun Jul Oct Nov Dec Jan Feb Mar Aug Apr May Dollars per CWT; CME Group -Class III -Class IV Nearby Soybean Futures \$16.00 \$15.50 \$15.00 \$14.50 \$14.00 \$13.50 \$13.00