

WESTERN UNITED DAIRIES

WEEKLY UPDATE | FEBRUARY 12, 2025

QIP 2024 Referendum Result will be announced on the week of February 17, 2025

The referendum gives California Market Milk Producers the opportunity to vote on proposed amendments to the Quota Implementation Plan (QIP), including changes to the quota differential, elimination of Regional Quota Adjusters, updates to the hardship definition, and a rewording of the producer definition.

Come See us at the World Ag Expo!

Wednesday, 2/12

9am - 11am: Free Legal Advice, Anthony Raimondo

11am - 1pm: What's the Deal? Dairy Economics with *Tiffany LaMendola*

1pm - 3pm: Free Legal Advice, Anthony Raimondo

Thursday, 2/13

9am - 11am: Dairy Environmental In-the-Know, *Paul Sousa*

1pm - 3pm: Chat with the CEO, *Anja Raudabaugh*

FREE PPE Orders Extended thru March 2025

- PPE has been extended to dairy-adjacent businesses (Truckers, Haulers, etc.)
- All dairies can request unlimited PPE, no WUD membership needed.
- Products include: Face Shields, Goggles, Gloves, and N-95 Masks.

PLACE YOUR ORDER

Order Labor Law Posters/Spiral Binders for 2025

To place your order,
email Rashell at rashell@wudairies.com
OR scan to order on the website.



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

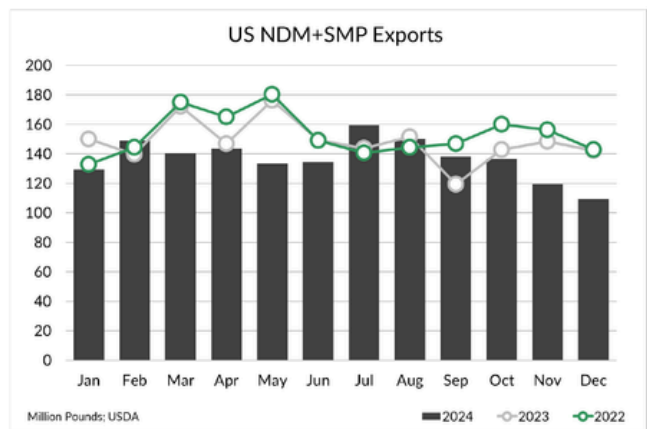
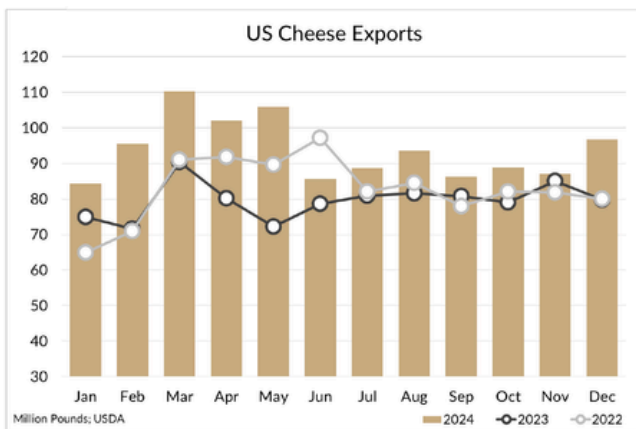
WEEKLY MARKET UPDATE

US cheese exports reached 97 million pounds in December. 2024 volumes reached an all-time high, up 18% from last year. But skim milk powder exports ended the year on a weaker note, with outbound volume for the month and for 2024 below prior-year levels.

- CME cheese markets dropped, then climbed back in the last five trading sessions. Blocks closed back in the low-\$1.90s, while barrels seem comfortable in the low-\$1.80s.
- US cheese usage decreased by 3.1% on the year. Full-year consumption was virtually unchanged versus 2023.
- Spot butter dropped as low as \$2.3800 per pound, a level last seen in June 2023. But prices rebounded off those lows, landing back in the low-\$2.40s.
- Last year was a decent one for butter demand. December domestic usage declined 7.0% on the year, but the 2024 full-year total was up 5.3% versus 2023.
- The spot nonfat dry milk market continued to slip lower amid soft demand and


uncompetitive global pricing. Prices fell to \$1.30 per pound, the lowest level since August 2024.

- According to USDA’s *Dairy Products* report, December cheese, NDM+SMP and dry whey output totals were down on the year, but up compared to November. Butter production continued to increase seasonally, despite California butter output decreasing year-over-year.
- USDA’s *World Agricultural Supply and Demand Estimates* report didn’t hold any surprises for US corn and soybeans, with ending stock estimates unchanged on the month. World ending stocks declined, but not by enough to move the market needle much. Corn and soybean markets slipped slightly with no bullish news.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
April - June 2025		
Class III	\$19.15	\$18.19
Class IV	\$19.45	\$18.48
July - September 2025		
Class III	\$18.82	\$17.88
Class IV	\$19.67	\$18.69
October - December 2025		
Class III	\$18.69	\$17.75
Class IV	\$20.03	\$19.03
January - March 2026		
Class III	\$18.19	\$17.28
Class IV	\$19.20	\$18.24
April - June 2026		
Class III	\$17.72	\$16.83
Class IV	\$17.50	\$16.63

*As of 02/11/25 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Feb-05	\$1.8600	\$1.8050	\$2.4100	\$1.3400	\$0.6100
Feb-06	\$1.8600	\$1.8050	\$2.4000	\$1.3400	\$0.5900
Feb-07	\$1.8600	\$1.7800	\$2.3800	\$1.3300	\$0.5875
Feb-10	\$1.9025	\$1.8150	\$2.3800	\$1.3250	\$0.5875
Feb-11	\$1.9075	\$1.8175	\$2.4300	\$1.3000	\$0.5675
Average	\$1.8780	\$1.8045	\$2.4000	\$1.3270	\$0.5885
Weekly Change	0.0075	0.0125	0.0000	-0.0400	-0.0525

Order 51: Latest Prices					
	Oct	Nov	Dec	Jan	Feb
Class I LA	\$25.47	\$24.83	\$23.73	\$22.68	\$23.57
Class II	\$21.01	\$21.52	\$21.28	\$21.58	
Class III	\$22.85	\$19.95	\$18.62	\$20.34	
Class IV	\$20.90	\$21.12	\$20.74	\$20.73	
PPD	-\$1.38	\$1.33	\$1.37		
Blend: LA*	\$21.47	\$21.28	\$19.99		
Blend: Tulare*	\$20.97	\$20.78	\$19.49		

*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	\$ 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	\$ 22.00	\$ 11.48	\$ 10.52	\$ -
	Jun-24	\$ 22.80	\$ 11.14	\$ 11.66	\$ -
	Jul-24	\$ 22.80	\$ 10.47	\$ 12.33	\$ -
	Aug-24	\$ 23.60	\$ 9.88	\$ 13.72	\$ -
	Sep-24	\$ 25.50	\$ 9.93	\$ 15.57	\$ -
	Oct-24	\$ 25.20	\$ 10.03	\$ 15.17	\$ -
	Nov-24	\$ 24.20	\$ 9.91	\$ 14.29	\$ -
	Dec-24	\$ 23.30	\$ 9.92	\$ 13.38	\$ -

Estimates only. As of 2/11/2025 and based on futures markets which can change daily.

