

PREMIER PRESS

APRIL 2016



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PMI Officers

Your officers for this next year will be the same as the previous year. Klaas Reyneveld is the Board President, Kevin Koon is the Vice President, Grace Reyneveld is the Secretary and Tom Pittman is the Treasurer.

Butterfat Info

For your information: Forecasted prices are at 3.5%. If your butterfat test is higher than that, your milk price will increase. If your butterfat test is lower than 3.5%, your milk price will be lower. Based on current butter market, if your butterfat is 3.6%, you can estimate that your milk price will be \$0.19/cwt. If your butterfat is 3.7%, then your milk price will be \$0.38/cwt.

Corn Silage and Forage Field Day

You are invited to the **2016 Corn Silage and Forage Field Day** on Thursday May 26, 2016. The event starts at 8:00 AM. Location: UF Plant Science Research and Education Unit located at 2556 West Highway 318, Citra, FL 32113. More information go the website below: http://animal.ifas.ufl.edu/corn_silage_forage_field_day_extension/

Important Contact Info

North & South Florida Milk Hauling
Rick Hedrick: 912-253-0993

Georgia and Florida Panhandle Milk Hauling
Kevin Mann: 877-367-9167

Milk Quality Assistance
David Sumrall: 352-283-5780

Milk Production Update

U.S. milk production totaled 18.41 billion pounds in March, up 1.8% from a year ago, according to USDA's Milk Production report released this afternoon. Year-over-year growth in milk output was surprisingly robust, driven by a 1.6% increase in production per cow relative to the prior year. The milking herd also continued to grow. USDA revised upward its estimate of the February milking herd by 3,000 head and reported the March herd at 9.325 million head.

Dairy producers in the Great Lakes region continue to impress. Milk production jumped 7.7% from the prior year in Michigan, climbed 5.3% in Wisconsin, and rose 4.4% in Indiana. Continued expansion pushed South Dakota production up 10.9%, while New York boosted output by 5.5%. Five states reported declines. California milk production fell for the 15th consecutive month, dropping 2.4% or 90 million pounds from March 2015. Output also slipped in Florida (-5.7%), New Mexico (-2.9%), Utah (-1.6%), and Virginia (-0.6%).

The U.S. dairy herd is now larger than it has been in any month since December 2008. It grew by 10,000 head from February to March and is 14,000 head greater than it was in March 2015. U.S. dairy producers culled 261,800 head in March, a 0.4% increase from last year but 4.5% less than in February after adjusting for Leap Year, according to USDA's Livestock Slaughter report recently released. Year to date, dairy cow slaughter is running 0.4% behind the same period a year ago.

A slowing year-over-year slaughter pace is not unique to the United States. Both New Zealand's and Europe's culling pace slowed at the start of the year. Europe and New Zealand do not segregate beef and dairy cow slaughter numbers. However, in December 2015, dairy cows made up 66% of the EU herd while non-dairy cows accounted for 34%. Therefore, it is conceivable that a similar ratio could be projected on slaughter data. In January, EU-28 countries slaughtered 940,670 cows and heifers, down 0.1% from the previous year. Similarly, New Zealand culled 104,629 cows and heifers in February, 27% less than the same period in 2015. In New Zealand, dairy cows represent approximately 65% of country's cows.

While the data in today's report was uneventful, market participants continue to scratch their heads, trying to understand why milk production continues to climb in the face of significantly lower milk prices compared to the past two years. That said, this week's sharp rise in feed futures coupled with falling U.S. milk futures could change producer sentiment in coming months. At the same time, margins in Europe and New Zealand are stressing dairy operations there, yet milk production continues to flow as cows remain in the milking herd. This all begs the question: What are the world's dairy producers seeing that others are not?

Reprinted from Daily Dairy Report

Premier
MILK INC.
Where Premium Quality Comes Standard.



Premier Milk MARKET MINUTE

Commodity Prices	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Current
Cheese - World Market	\$ 1.3409	\$ 1.3608	\$ 1.4363	\$ 1.4402	\$ 1.4288	\$ 1.3920	\$ 1.3551	\$ 1.1869	\$ 1.1340
Cheese - CME Block	\$ 1.7111	\$ 1.6605	\$ 1.6674	\$ 1.6176	\$ 1.4616	\$ 1.4757	\$ 1.4744	\$ 1.4877	\$ 1.4225
Cheese - CME Barrel	\$ 1.6689	\$ 1.5840	\$ 1.6074	\$ 1.5305	\$ 1.4638	\$ 1.4840	\$ 1.4573	\$ 1.4530	\$ 1.4250
Cheese - NASS	\$ 1.7386	\$ 1.7145	\$ 1.6790	\$ 1.6503	\$ 1.5719	\$ 1.5178	\$ 1.5170	\$ 1.5162	\$ 1.5052
Butter - World Market	\$ 1.2375	\$ 1.3041	\$ 1.4042	\$ 1.3636	\$ 1.3976	\$ 1.3750	\$ 1.3582	\$ 1.2272	\$ 1.1963
Butter - CME Cash	\$ 2.1542	\$ 2.6690	\$ 2.4754	\$ 2.8779	\$ 2.3318	\$ 2.1214	\$ 2.0840	\$ 1.9605	\$ 2.0300
Butter - NASS	\$ 2.0438	\$ 2.4449	\$ 2.5734	\$ 2.7999	\$ 2.5709	\$ 2.0759	\$ 2.1350	\$ 1.9905	\$ 2.0514
NFDM - World Market	\$ 0.7612	\$ 0.8448	\$ 0.9242	\$ 0.8788	\$ 0.8391	\$ 0.8207	\$ 0.8094	\$ 0.7872	\$ 0.7796
NFDM - Central A.O.M.	\$ 0.7817	\$ 0.8769	\$ 0.8790	\$ 0.8724	\$ 0.8541	\$ 0.8242	\$ 0.7860	\$ 0.7778	\$ 0.7450
NFDM - NASS	\$ 0.7443	\$ 0.8007	\$ 0.8951	\$ 0.8372	\$ 0.7893	\$ 0.7776	\$ 0.7689	\$ 0.7522	\$ 0.7246
Whey - Central A.O.M.	\$ 0.2462	\$ 0.2044	\$ 0.2045	\$ 0.2105	\$ 0.2128	\$ 0.2251	\$ 0.2393	\$ 0.2333	\$ 0.2350
Whey - NASS	\$ 0.3108	\$ 0.2442	\$ 0.2309	\$ 0.2341	\$ 0.2336	\$ 0.2351	\$ 0.2469	\$ 0.2477	\$ 0.2432
F. O. 6 Class I @ Tampa	\$ 21.68	\$ 21.74	\$ 21.24	\$ 21.88	\$ 22.11	\$ 21.44	\$ 19.04	\$ 19.18	\$ 19.14
Net Cl. I Prem. @ Tampa	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
F.O. 6 Class I Utilization	83.0%	85.5%	87.0%	83.9%	85.2%	84.6%	83.4%	84.3%	
F. O. 6 Blend @ Tampa	\$ 20.62	\$ 21.66	\$ 20.89	\$ 21.59	\$ 20.99	\$ 19.34	\$ 18.43	\$ 18.06	
PMI - Average SCC	404,000	401,000	368,000	354,000	343,000	344,477	329,557	298,561	
PMI - Average SPC	13,200	8,000	5,800	8,500	13,580	9,092	26,331	14,633	
PMI - Average PIC	20,030	21,200	15,100	11,580	16,680	22,211	22,938	46,843	
Premiums Paid - PMI	\$ 0.14	\$ 0.15	\$ 0.28	\$ 0.34	\$ 0.30	\$ 0.26	\$ 0.29	\$ 0.39	

Class III Milk Futures	Dec	Jan	Feb	March	Current
Apr-16	\$ 14.54	\$ 14.00	\$ 13.57	\$ 13.78	\$ 13.65
May-16	\$ 14.85	\$ 14.25	\$ 13.66	\$ 14.01	\$ 13.33
Jun-16	\$ 15.20	\$ 14.65	\$ 13.87	\$ 14.11	\$ 13.48
Jul-16	\$ 15.65	\$ 15.04	\$ 14.25	\$ 14.26	\$ 13.85
Aug-16	\$ 16.11	\$ 15.50	\$ 14.63	\$ 14.69	\$ 14.46
Sep-16	\$ 16.35	\$ 15.74	\$ 15.00	\$ 14.90	\$ 14.91
Oct-16	\$ 16.40	\$ 15.92	\$ 15.21	\$ 15.03	\$ 15.14
Nov-16	\$ 16.29	\$ 15.88	\$ 15.26	\$ 15.03	\$ 15.06
Dec-16	\$ 16.21	\$ 15.85	\$ 15.26	\$ 14.95	\$ 15.08
Jan-17		\$ 15.58	\$ 15.21	\$ 14.77	\$ 15.21
Feb-17			\$ 15.05	\$ 14.75	\$ 15.35
Mar-17				\$ 14.72	\$ 15.43

Mailbox Price Comparison		
FL	USDA	PMI
Mar-16		\$ 16.24
Feb-16		\$ 17.12
Jan-16		\$ 18.25
Dec-15	\$ 19.35	\$ 19.49
Nov-15	\$ 20.42	\$ 20.30
Oct-15	\$ 19.76	\$ 19.57
Sep-15	\$ 20.19	\$ 20.08
Aug-15	\$ 19.11	\$ 19.03
Jul-15	\$ 18.96	\$ 19.26
Jun-15	\$ 18.21	\$ 17.47
May-15	\$ 17.77	\$ 17.95
Apr-15	\$ 17.77	\$ 17.55

Note: Class III milk futures prices are quoted at the close on the last day of the month.