

# PREMIER PRESS

JULY 2016

## Rejected Load Policy

The PMI Board of Directors have reaffirmed the policy that any producer who causes a load of milk to be rejected or his milk not taken at the bottling plant, must cover the loss associated with disposing of the affected milk. Any questions on this policy or any other policy, please contact Tom Pittman.

## Dairy Commodities Price Increase

Dairy commodities, especially cheese have increased in price over the last 60 days. CME cheese prices have increased almost \$0.50/lb. If these prices continue to hold, the dairy producers should see some nice increases in their milk checks as September and October. See price information on the reverse side with forecast.

## Margin Protection Program (MPP)

The enrollment period officially opened July 1 and ends September 30, 2016, for coverage in calendar year 2017. Farmers already participating in the program can change their coverage level during this three-month enrollment window. Visit your local FSA office for more details and/or go to [www.futurefordairy.com](http://www.futurefordairy.com). Those dairy farms that have already signed up for the MPP will remain in the program through 2018, if they pay the \$100 administrative fee each year. Producers have the option of selecting a different coverage level during open enrollment. Those enrolled in the MPP as of the start of 2015 will receive a 1.3% increase in their production history for 2017, reflecting the overall national increase in the nation's milk supply since last year.



## Premier Milk Inc.

1531 SE 36th Avenue, Suite D  
Ocala, Florida 34471

Phone: (352) 433-2527

Fax: (352) 433-2547

[www.premiermilk.org](http://www.premiermilk.org)

[info@premiermilk.org](mailto:info@premiermilk.org)

## Producer Incentive Program (PIP)

Premier Milk is again doing a fall incentive program to reward producers who increase their milk production in the fall versus the previous year's fall months' milk production. This is the last year of this program. The program will operate in the months of August, September, and October and will be only in the FL & GA marketing area.

Members of Premier Milk will receive a \$1.00 per hundredweight PIP payment for the volume of increased marketed production in August that exceeds the Individual producer member's marketed production in the immediately preceding August. That is: August 2016 marketed milk production increase in excess of August 2015's milk production. The same methodology will apply for the months of September and October.

Here are the rules:

1. Milk production history follows physical farms, and/or an individual producer-operator.
2. If a producer operates or operated multiple farms, the total production of all the farms will be used to establish the production in a PIP payment month, as well as the production

history of the producer for determining the base month production.

3. It is the producer's responsibility to provide verifiable proof of his/her production history, and/or the farm's production history. If there are any doubts, the producer will be required to obtain and/or authorize a confidentiality release permitting the Federal Order Market Administrator to provide marketing volumes in records held by the Market Administrator.
4. An existing producer becomes a member of Premier Milk during or between applicable PIP payment periods, they will be eligible for PIP payments on production increases for that producer's farm or farms, in excess of the verified production history of that producer or the farm (s) in the applicable base month.
5. If there are differences between the production history of a farm, and the production history of an individual producer, the higher of the two production histories will be used to establish the milk production to be used for calculating any increase in production, and thus any PIP payment.

If a producer lost or loses his/her Grade A certification in the base period month, or loses their Grade certification in the current year PIP payment month, the producer is ineligible to receive a PIP payment in that PIP payment month.

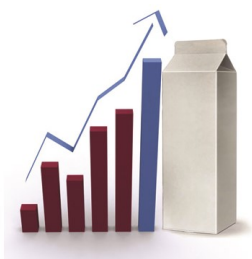
### Important Contact Info

**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

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**MILK INC.**  
*Where Premium Quality Comes Standard.*



# Premier Milk MARKET MINUTE

Commodity Prices	Nov	Dec	Jan	Feb	March	April	May	June	Current
Cheese - World Market	\$ 1.4402	\$ 1.4288	\$ 1.3920	\$ 1.3551	\$ 1.1869	\$ 1.1680	\$ 1.1737	\$ 1.2814	\$ 1.2927
Cheese - CME Block	\$ 1.6176	\$ 1.4616	\$ 1.4757	\$ 1.4744	\$ 1.4877	\$ 1.4194	\$ 1.3174	\$ 1.5005	\$ 1.6800
Cheese - CME Barrel	\$ 1.5305	\$ 1.4638	\$ 1.4840	\$ 1.4573	\$ 1.4530	\$ 1.4231	\$ 1.3529	\$ 1.5301	\$ 1.7550
Cheese - NASS	\$ 1.6503	\$ 1.5719	\$ 1.5178	\$ 1.5170	\$ 1.5162	\$ 1.5041	\$ 1.4104	\$ 1.4477	\$ 1.6110
Butter - World Market	\$ 1.3636	\$ 1.3976	\$ 1.3750	\$ 1.3582	\$ 1.2272	\$ 1.2020	\$ 1.2105	\$ 1.2757	\$ 1.3834
Butter - CME Cash	\$ 2.8779	\$ 2.3318	\$ 2.1214	\$ 2.0840	\$ 1.9605	\$ 2.0563	\$ 2.0554	\$ 2.2640	\$ 2.2950
Butter - NASS	\$ 2.7999	\$ 2.5709	\$ 2.0759	\$ 2.1350	\$ 1.9905	\$ 2.0192	\$ 2.0580	\$ 2.1623	\$ 2.3446
NFDM - World Market	\$ 0.8788	\$ 0.8391	\$ 0.8207	\$ 0.8094	\$ 0.7872	\$ 0.7853	\$ 0.7910	\$ 0.8562	\$ 0.8788
NFDM - Central A.O.M.	\$ 0.8724	\$ 0.8541	\$ 0.8242	\$ 0.7860	\$ 0.7778	\$ 0.7530	\$ 0.7801	\$ 0.8221	\$ 0.8700
NFDM - NASS	\$ 0.8372	\$ 0.7893	\$ 0.7776	\$ 0.7689	\$ 0.7522	\$ 0.7307	\$ 0.7607	\$ 0.7888	\$ 0.8514
Whey - Central A.O.M.	\$ 0.2105	\$ 0.2128	\$ 0.2251	\$ 0.2393	\$ 0.2333	\$ 0.2371	\$ 0.2339	\$ 0.2450	\$ 0.5500
Whey - NASS	\$ 0.2341	\$ 0.2336	\$ 0.2351	\$ 0.2469	\$ 0.2477	\$ 0.2466	\$ 0.2505	\$ 0.2601	\$ 0.2754
F. O. 6 Class I @ Tampa	\$ 21.88	\$ 22.11	\$ 21.44	\$ 19.04	\$ 19.18	\$ 19.14	\$ 19.10	\$ 18.54	\$ 19.10
Net Cl. I Prem. @ Tampa	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
F.O. 6 Class I Utilization	83.9%	85.2%	84.6%	83.4%	84.3%	84.5%	81.1%	83.6%	
F. O. 6 Blend @ Tampa	\$ 21.59	\$ 20.99	\$ 19.34	\$ 18.43	\$ 18.06	\$ 18.32	\$ 18.10	\$ 17.93	
PMI - Average SCC	354,000	343,000	344,477	329,557	298,561	283,096	276,070	318,071	
PMI - Average SPC	8,500	13,580	9,092	26,331	14,633	8,091	8,035	18,996	
PMI - Average PIC	11,580	16,680	22,211	22,938	46,843	19,223	21,994	30,805	
Premiums Paid - PMI	\$ 0.34	\$ 0.30	\$ 0.26	\$ 0.29	\$ 0.39	\$ 0.46	\$ 0.39	\$ 0.23	

Class III Milk Futures	March	April	May	June	Current
<b>Jul-16</b>	\$ 14.26	\$ 13.51	\$ 12.98	\$ 15.25	\$ 15.34
<b>Aug-16</b>	\$ 14.69	\$ 14.18	\$ 13.70	\$ 16.37	\$ 16.56
<b>Sep-16</b>	\$ 14.90	\$ 14.67	\$ 14.47	\$ 16.39	\$ 16.56
<b>Oct-16</b>	\$ 15.03	\$ 14.83	\$ 14.80	\$ 16.30	\$ 16.55
<b>Nov-16</b>	\$ 15.03	\$ 14.84	\$ 14.88	\$ 16.24	\$ 16.35
<b>Dec-16</b>	\$ 14.95	\$ 14.88	\$ 14.94	\$ 16.00	\$ 16.12
<b>Jan-17</b>	\$ 14.77	\$ 14.95	\$ 15.05	\$ 15.91	\$ 15.95
<b>Feb-17</b>	\$ 14.75	\$ 15.13	\$ 15.26	\$ 15.92	\$ 16.00
<b>Mar-17</b>	\$ 14.72	\$ 15.29	\$ 15.41	\$ 15.95	\$ 16.05
<b>Apr-17</b>		\$ 15.12	\$ 15.43	\$ 16.03	\$ 16.20
<b>May-17</b>				\$ 16.22	\$ 16.35
<b>Jun-17</b>				\$ 16.30	\$ 16.48

Mailbox Price Comparison		
FL	USDA	PMI
Jun-16		\$ 16.58
May-16		\$ 16.56
Apr-16		\$ 16.39
Mar-16	\$ 15.68	\$ 16.24
Feb-16	\$ 16.49	\$ 17.12
Jan-16	\$ 17.95	\$ 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

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