

PREMIER PRESS

MARCH 2017



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Family Day at the Dairy Farm

April 1, 2017. Family Day at the Dairy Farm. This is the Open House at the University of Florida Dairy Unit in Hague, FL.

More info at <https://www.facebook.com/FamilyDayattheDairyFarm/>

FL Dairy Production Conference

The 53rd Florida Dairy Production Conference is scheduled for Thursday April 20, 2017. Location is the Alto Straughn Center, 2142 Shealy Drive Gainesville, FL. The program starts at 9 AM and adjourns at 5 PM with a reception. Registration and sponsorship info is available at <http://dairy.ifas.ufl.edu/dpc/info.shtml>.

For additional information contact Francisco Peñagaricano (phone: 352-392-1981; email: fpenagari-cano@ufl.edu) or Ricardo Chebel (phone: 352-294-4303; email: rcchebel@ufl.edu)

Important Contact Info

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Annual Meeting Highlights

The 8th Annual Meeting of Premier Milk was held on Monday, February 27th at the Gateway Grand Best Western in Gainesville, FL. Congratulations to the quality award winners: Mike Brantley, Sonny Rodriguez and Klaas and Grace Reyneveld. The winners received a plaque and \$400.00. Overall the quality on SCC improved from last year. SPC and PIC's did climb slightly, however, we feel that situation has been fixed due to changes in membership. Producing quality milk is a never-ending job and members can always do better.

In comparing net mailbox prices for full load, top quality producer in North Florida region, Premier Milk came out on top again this year. Here is the average net mailbox price by milk buyer in this region:

PMI -- \$18.08/cwt
Dean Foods -- \$18.02/cwt
DFA -- \$17.14/cwt
SMI -- \$16.66/cwt
Lone Star -- \$16.04/cwt.

Since Premier Milk started in 2009, we have been the top 1 or 2 in net mailbox prices for this region. One of the reasons for this good performance is that we track our costs closely and continually look for ways to reduce them. Our aver-

age base milk price for 2016 was \$0.27/cwt less than the Central FL blend price at Tampa.

In 2016, PMI had a net revenue of \$0.00. Yes, we broke even. The coop is a nonprofit entity and all money is paid out to the members after all the bills are paid. Also, we have no debt and will continue to operate as such. Operating costs for the coop were 1.6% of the total revenues. This is little higher than normal, however when compared on a per hundredweight basis, it was less than a half cent per hundredweight increase over the previous year.

Peter Vitaliano, Economist from National Milk Producers Federation came and spoke to the members and guests at our meeting. The main theme from Peter's presentation is butterfat is valuable. Over half of the value on producers' milk checks is coming from the increase value of butterfat and it appears to be that way going into the future. This will help keep our milk prices up as compared to other countries. Peter also stated that milk prices should be better this year as compared to last year because world commodity prices for butter and cheese are higher than they were last year. The only bad thing going for US dairy producers is the overall increase in milk production in the United States. Last month's milk production grew at over 2.5%, compared to the same month, the previous year. He felt that our prediction on milk prices for 2017 is right on. Our prediction is on the flip side of this newsletter.

CONGRATULATIONS!

Congratulations to the newly elected directors for the PMI Board. Cameron Dakin and Levi Wright were elected as directors and Jason Dakin was elected as an alternate director.

Premier
MILK INC.
Where Premium Quality Comes Standard.



Premier Milk MARKET MINUTE

Commodity Prices	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Current
Cheese - World Market	\$ 1.2839	\$ 1.4146	\$ 1.5894	\$ 1.6471	\$ 1.6386	\$ 1.6896	\$ 1.7038	\$ 1.7350	\$ 1.7577
Cheese - CME Block	\$ 1.6613	\$ 1.7826	\$ 1.6224	\$ 1.6035	\$ 1.8775	\$ 1.7335	\$ 1.6866	\$ 1.6199	\$ 1.4900
Cheese - CME Barrel	\$ 1.7363	\$ 1.8110	\$ 1.5415	\$ 1.5295	\$ 1.7424	\$ 1.6132	\$ 1.5573	\$ 1.6229	\$ 1.4650
Cheese - NASS	\$ 1.6419	\$ 1.8119	\$ 1.7514	\$ 1.5830	\$ 1.7596	\$ 1.7990	\$ 1.7011	\$ 1.6871	\$ 1.6916
Butter - World Market	\$ 1.4019	\$ 1.4784	\$ 1.8049	\$ 1.9405	\$ 1.9917	\$ 2.0624	\$ 2.0410	\$ 1.9930	\$ 1.9930
Butter - CME Cash	\$ 2.2731	\$ 2.1776	\$ 1.9950	\$ 1.8239	\$ 1.9899	\$ 2.1763	\$ 2.2393	\$ 2.1534	\$ 2.2325
Butter - NASS	\$ 2.3155	\$ 2.2254	\$ 2.0775	\$ 1.8637	\$ 1.9092	\$ 2.1000	\$ 2.2568	\$ 2.1760	\$ 2.1383
NFDM - World Market	\$ 0.8803	\$ 0.9058	\$ 1.0159	\$ 1.0476	\$ 1.0362	\$ 1.0390	\$ 1.0518	\$ 1.0443	\$ 1.0393
NFDM - Central A.O.M.	\$ 0.8774	\$ 0.8801	\$ 0.9212	\$ 0.9262	\$ 0.9177	\$ 0.9815	\$ 1.0333	\$ 1.0019	\$ 0.8950
NFDM - NASS	\$ 0.8363	\$ 0.8588	\$ 0.8847	\$ 0.9222	\$ 0.9119	\$ 0.9579	\$ 1.0229	\$ 0.9926	\$ 0.9549
Whey - Central A.O.M.	\$ 0.2546	\$ 0.2798	\$ 0.3052	\$ 0.3270	\$ 0.3499	\$ 0.3844	\$ 0.4231	\$ 0.4650	\$ 0.4850
Whey - NASS	\$ 0.2742	\$ 0.2846	\$ 0.3055	\$ 0.3303	\$ 0.3690	\$ 0.3994	\$ 0.4421	\$ 0.4894	\$ 0.5042
F. O. 6 Class I @ Tampa	\$ 19.10	\$ 20.47	\$ 21.96	\$ 22.00	\$ 20.18	\$ 22.28	\$ 22.85	\$ 22.13	\$ 22.30
Net Cl. I Prem. @ Tampa	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
F.O. 6 Class I Utilization	83.3%	84.1%	87.9%	83.1%	83.1%	83.2%	85.7%		
F. O. 6 Blend @ Tampa	\$ 18.71	\$ 19.51	\$ 20.87	\$ 20.39	\$ 19.43	\$ 21.64	\$ 22.22		
PMI - Average SCC	362,900	378,474	386,984	347,869	328,785	339,808	341,010		
PMI - Average SPC	23,758	9,482	9,476	7,581	10,081	8,648	10,269		
PMI - Average PIC	29,945	21,385	25,487	17,008	24,306	27,179	158,118		
Premiums Paid - PMI	\$ 0.15	\$ 0.21	\$ 0.22	\$ 0.30	\$ 0.29	\$ 0.21	\$ 0.30		

Class III Milk Futures	Nov	Dec	Jan	Feb	Current
Mar-17	\$ 16.48	\$ 16.92	\$ 17.15	\$ 16.27	\$ 16.31
Apr-17	\$ 16.44	\$ 17.07	\$ 17.30	\$ 16.16	\$ 16.06
May-17	\$ 16.45	\$ 17.26	\$ 17.37	\$ 16.21	\$ 16.13
Jun-17	\$ 16.66	\$ 17.46	\$ 17.57	\$ 16.36	\$ 16.40
Jul-17	\$ 16.85	\$ 17.63	\$ 17.71	\$ 16.66	\$ 16.70
Aug-17	\$ 17.00	\$ 17.69	\$ 17.83	\$ 16.89	\$ 16.93
Sep-17	\$ 17.14	\$ 17.71	\$ 17.81	\$ 16.91	\$ 16.95
Oct-17	\$ 17.10	\$ 17.65	\$ 17.84	\$ 16.87	\$ 16.92
Nov-17	\$ 17.00	\$ 17.52	\$ 17.60	\$ 16.81	\$ 16.87
Dec-17		\$ 17.19	\$ 17.32	\$ 16.69	\$ 16.72
Jan-18			\$ 16.98	\$ 16.60	\$ 16.60
Feb-18				\$ 16.79	\$ 16.79

Mailbox Price Comparison		
FL	USDA	PMI
Jan-17		\$ 20.43
Dec-16		\$ 21.49
Nov-16	\$ 17.97	\$ 17.78
Oct-16	\$ 18.62	\$ 18.03
Sep-16	\$ 19.65	\$ 19.08
Aug-16	\$ 18.00	\$ 17.99
Jul-16	\$ 16.79	\$ 17.40
Jun-16	\$ 15.74	\$ 16.58
May-16	\$ 15.30	\$ 16.56
Apr-16	\$ 15.69	\$ 16.39
Mar-16	\$ 15.68	\$ 16.24
Feb-16	\$ 16.49	\$ 17.12

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