

PREMIER PRESS

MAY 2012



CWT Update

In April, Cooperatives Working Together (CWT), of which PMI is a member, accepted 55 requests for export assistance from member cooperatives accounting for nine million pounds of Cheddar and Monterey Jack cheese, and 7.5 million pounds of butter. This brought the totals for the first four months of 2012 to 46.9 million pounds of cheese, and 40.8 million pounds of butter. That is the equivalent of 1.322 billion pounds of milk on a milkfat basis, or the annual production of nearly 63,000 cows.

DHIA Update

SOUTHEAST DHIA INC.
400,000 SCC Limit Is Here

Make accurate individual cow and whole herd decisions by using DHIA information
See Reports 520, 521, and or 421.

Weigh, Sample, Test
Contact: 352-392-5592 or
email: dhia58@gmail.com or
raywest@bellsouth.net

HELP WANTED - Seasonal part time work as contractor to assist in recruitment of new members for dairy cooperative. Must have dairy experience, able to effectively communicate with dairy producers, and understand milk pricing. Must own vehicle and able to use computer and internet. Competitive wage offered for the right candidate. Applications due by May 31, 2012. Please send resumes to Premier Milk Inc, 1531 SE 36th Avenue, Suite D; Ocala, FL 34471.

Premier Milk Inc.

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

Phone: (352) 433-2527

Fax: (352) 433-2547

www.premiermilk.org

info@premiermilk.org

PMI Annual Dividends

Last month at PMI's annual meeting, a dividend of \$0.275/cwt was announced. This dividend will be paid in May. 20% of the dividend will be paid in cash and the remaining portion (80%) will be assigned to your equity in PMI.

This is the third year in a row that PMI has paid a dividend to their members. It takes \$0.80/cwt times the most recent calendar year of milk production to be fully paid up in your equity. Our four founding members of PMI have reached the status of being fully paid in their equity after the payout of this year's dividend. These four members will no longer have that deduction on their milk check unless they increase their milk production on those farms.

WASDE for May

On May 10, U.S. Department of Agriculture (USDA) officials released *World Agricultural Supply and Demand Estimates* (WASDE) for May. The report presents USDA's initial assessment of U.S. and world supply and demand prospects and U.S. prices for the 2012-13 crop season.

The season-average farm price for corn is projected at \$4.20 to \$5.00 per bushel, down sharply from the 2011-12 record at \$5.95 to \$6.25 per

Once a member is fully paid up in their equity, they are to receive all future dividends at the 100% rate in cash. Based on the last three years, that dividend ranged from \$0.21 to \$0.275/cwt. Now with equity deduction ceasing on the milk check, those four producers will receive an approximate \$0.31 - \$0.375/cwt additionally each year going forward, as compared to right now. PMI is proud to be a cooperatives that can help their producers get their equity fully paid up in three years and then allow them to collect an additional \$0.31 - 0.37/cwt after they are paid up.

bushel. U.S. corn production for 2012-13 is projected at a record 14.8 billion bushels, up 2.4 billion from 2011-12 due to a projected 5.1 million-acre increase in harvested acres and an expectation for higher yields.

Corn exports for 2012-13 are projected 200 million bushels higher than in 2011-12 due to an abundant domestic supply, lower prices and higher expected China demand. However, record foreign corn supplies could limit the increase in U.S. shipments. World corn production for 2012-13 is projected at a record 945.8 million tons, up 75.3 million tons from 2011-12 and will be the sixth straight year that world corn output has set a new record.

Premier
MILK INC.
Where Premium Quality Comes Standard.



Premier Milk MARKET MINUTE

Commodity Prices	Sept	Oct	Nov	Dec	Jan	Feb	March	April	Current
Cheese - World Market	\$ 1.9448	\$ 1.8456	\$ 1.7889	\$ 1.7889	\$ 1.8654	\$ 1.8541	\$ 1.7917	\$ 1.6783	\$ 1.6556
Cheese - CME Block	\$ 1.7561	\$ 1.7231	\$ 1.8716	\$ 1.6198	\$ 1.5559	\$ 1.4794	\$ 1.5193	\$ 1.5039	\$ 1.5000
Cheese - CME Barrel	\$ 1.7010	\$ 1.7189	\$ 1.8963	\$ 1.5850	\$ 1.5415	\$ 1.4823	\$ 1.5152	\$ 1.4556	\$ 1.4500
Cheese - NASS	\$ 1.8592	\$ 1.7471	\$ 1.8415	\$ 1.8070	\$ 1.6097	\$ 1.5410	\$ 1.5248	\$ 1.5361	\$ 1.5152
Butter - World Market	\$ 2.1914	\$ 2.1574	\$ 1.9901	\$ 1.9193	\$ 1.9051	\$ 1.8838	\$ 1.7393	\$ 1.5932	\$ 1.4600
Butter - CME Cash	\$ 1.8724	\$ 1.8295	\$ 1.7351	\$ 1.6128	\$ 1.5830	\$ 1.4273	\$ 1.4895	\$ 1.4126	\$ 1.3200
Butter - NASS	\$ 1.9886	\$ 1.7893	\$ 1.7824	\$ 1.6119	\$ 1.5900	\$ 1.4712	\$ 1.4347	\$ 1.4634	\$ 1.4133
NFDM - World Market	\$ 1.4941	\$ 1.5267	\$ 1.4940	\$ 1.4716	\$ 1.4671	\$ 1.4558	\$ 1.3636	\$ 1.2871	\$ 1.2276
NFDM - Central A.O.M.	\$ 1.5388	\$ 1.4900	\$ 1.4713	\$ 1.4519	\$ 1.4325	\$ 1.3863	\$ 1.3213	\$ 1.2338	\$ 1.1800
NFDM - NASS	\$ 1.5439	\$ 1.5109	\$ 1.4522	\$ 1.4201	\$ 1.3942	\$ 1.3792	\$ 1.3310	\$ 1.2514	\$ 1.2169
Whey - Central A.O.M.	\$ 0.5744	\$ 0.6050	\$ 0.6206	\$ 0.6394	\$ 0.7050	\$ 0.7038	\$ 0.6325	\$ 0.5466	\$ 0.5050
Whey - NASS	\$ 0.5926	\$ 0.6152	\$ 0.6380	\$ 0.6538	\$ 0.6876	\$ 0.6400	\$ 0.6107	\$ 0.5921	\$ 0.5697
F. O. 6 Class I @ Tampa	\$ 27.18	\$ 24.96	\$ 23.85	\$ 23.87	\$ 24.20	\$ 22.43	\$ 21.70	\$ 21.06	\$ 21.25
Net Cl. I Prem. @ Tampa	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.25	\$ 3.25
F.O. 6 Class I Utilization	87.5%	85.9%	85.3%	87.0%	84.5%	84.5%	86.4%	83.4%	
F. O. 6 Blend @ Tampa	\$ 26.17	\$ 23.77	\$ 23.15	\$ 22.79	\$ 23.11	\$ 21.34	\$ 20.83	\$ 20.31	
PMI - Average SCC	312,544	285,330	278,990	282,718	302,284	284,839	280,411	278,818	
PMI - Average SPC	10,722	10,289	8,331	11,211	14,652	10,869	10,816	12,244	
PMI - Average PIC	13,795	14,799	13,716	38,844	60,723	56,011	56,846	65,451	
Premiums Paid - PMI	\$ 0.43	\$ 0.47	\$ 0.50	\$ 0.33	\$ 0.32	\$ 0.31	\$ 0.31	\$ 0.29	
PMI Cen FL Price	\$ 26.79	\$ 24.34	\$ 23.88	\$ 23.53	\$ 23.61	\$ 21.47	\$ 20.98	\$ 19.80	

(with rBST-free premium)

Price Forecasts	May	June	July	August	Sept	Oct	Nov	Dec
PMI Cen FL Price	\$ 20.10	\$ 20.06	\$ 19.38	\$ 19.72	\$ 20.30	\$ 20.40	\$ 20.70	\$ 20.78

(with rBST-free premium)

Class III Milk Futures	Dec	Jan	Feb	Mar	Apr	Current
May-12	\$ 17.25	\$ 16.57	\$ 15.40	\$ 14.88	\$ 15.27	\$ 15.26
Jun-12	\$ 17.12	\$ 16.83	\$ 15.72	\$ 14.97	\$ 14.83	\$ 14.89
Jul-12	\$ 17.24	\$ 17.12	\$ 16.10	\$ 15.70	\$ 15.18	\$ 14.91
Aug-12	\$ 17.30	\$ 17.15	\$ 16.25	\$ 16.37	\$ 15.60	\$ 15.15
Sep-12	\$ 17.32	\$ 17.20	\$ 16.34	\$ 16.50	\$ 15.96	\$ 15.52
Oct-12	\$ 17.07	\$ 17.09	\$ 16.34	\$ 16.50	\$ 15.98	\$ 15.65
Nov-12	\$ 16.99	\$ 16.96	\$ 16.24	\$ 16.46	\$ 15.84	\$ 15.60
Dec-12	\$ 17.05	\$ 16.98	\$ 16.18	\$ 16.45	\$ 15.70	\$ 15.61
Jan-13		\$ 16.75	\$ 16.00	\$ 16.20	\$ 15.58	\$ 15.50
Feb-13			\$ 15.96	\$ 16.04	\$ 15.45	\$ 15.50
Mar-13				\$ 16.29	\$ 15.71	\$ 15.55
Apr-13					\$ 15.71	\$ 15.65

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