

# PREMIER PRESS

MAY 2016



## Best Wishes

We would like to thank Bill Shaw, Tony Jackson, Foye and Brack Jackson, and Troy Pearson for being part of Premier Milk. They have transitioned from dairy farming to other adventures in life. Thank you for being part of Premier Milk and wish you all the very best.

## Cheese Inventory

April's cheese inventories climbed to 1.2 billion lbs. That is the highest inventory ever recorded by USDA in the 99 years of keeping track of cheese inventory. The amount of cheese in inventory is putting downward pressure on cheese prices as the CME cash cheese price for 40 lbs blocks went as low as \$1.27/lb. That cheese price correlates to a Class III milk price of \$11.60/cwt.

## Important Contact Info

**North & South Florida Milk Hauling**  
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**Georgia and Florida Panhandle Milk Hauling**  
Kevin Mann: 877-367-9167

**Milk Quality Assistance**  
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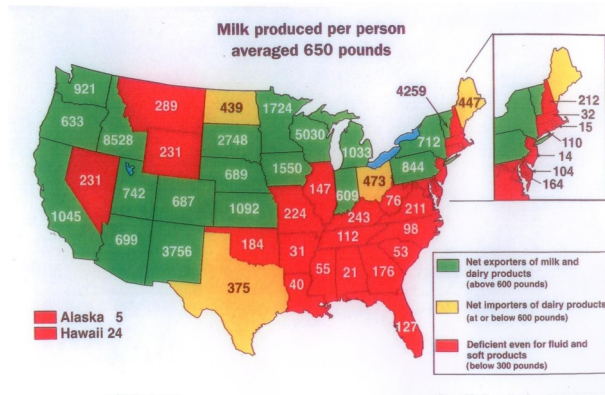
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## Commercial Disappearance of Dairy Products

Fluid milk sales continue with the same trend – down 1.9% from one year ago for months of Dec 2015 thru Feb 2016. Butter is also down 2.6% for the same period. However, cheese is the bright spot with increased usage. Cheese usage is up about 5% for the same months as compared to year ago. Combining all the dairy products together, usage is up about 1%. So growth in the US market is keeping up with milk production growth.

Exports are down again this year. For the first quarter of 2016, dairy exports are down 7% as compared to the first quarter of 2015. U.S. exports during the first quarter of 2016 were equivalent to 12.6% of milk solids production, which is down from the high in





# Premier Milk MARKET MINUTE

Commodity Prices	Sept	Oct	Nov	Dec	Jan	Feb	March	April	Current
Cheese - World Market	\$ 1.3608	\$ 1.4363	\$ 1.4402	\$ 1.4288	\$ 1.3920	\$ 1.3551	\$ 1.1869	\$ 1.1680	\$ 1.1850
Cheese - CME Block	\$ 1.6605	\$ 1.6674	\$ 1.6176	\$ 1.4616	\$ 1.4757	\$ 1.4744	\$ 1.4877	\$ 1.4194	\$ 1.3800
Cheese - CME Barrel	\$ 1.5840	\$ 1.6074	\$ 1.5305	\$ 1.4638	\$ 1.4840	\$ 1.4573	\$ 1.4530	\$ 1.4231	\$ 1.4300
Cheese - NASS	\$ 1.7145	\$ 1.6790	\$ 1.6503	\$ 1.5719	\$ 1.5178	\$ 1.5170	\$ 1.5162	\$ 1.5041	\$ 1.3815
Butter - World Market	\$ 1.3041	\$ 1.4042	\$ 1.3636	\$ 1.3976	\$ 1.3750	\$ 1.3582	\$ 1.2272	\$ 1.2020	\$ 1.2247
Butter - CME Cash	\$ 2.6690	\$ 2.4754	\$ 2.8779	\$ 2.3318	\$ 2.1214	\$ 2.0840	\$ 1.9605	\$ 2.0563	\$ 2.0650
Butter - NASS	\$ 2.4449	\$ 2.5734	\$ 2.7999	\$ 2.5709	\$ 2.0759	\$ 2.1350	\$ 1.9905	\$ 2.0192	\$ 2.4950
NFDM - World Market	\$ 0.8448	\$ 0.9242	\$ 0.8788	\$ 0.8391	\$ 0.8207	\$ 0.8094	\$ 0.7872	\$ 0.7853	\$ 0.7910
NFDM - Central A.O.M.	\$ 0.8769	\$ 0.8790	\$ 0.8724	\$ 0.8541	\$ 0.8242	\$ 0.7860	\$ 0.7778	\$ 0.7530	\$ 0.7950
NFDM - NASS	\$ 0.8007	\$ 0.8951	\$ 0.8372	\$ 0.7893	\$ 0.7776	\$ 0.7689	\$ 0.7522	\$ 0.7307	\$ 0.7841
Whey - Central A.O.M.	\$ 0.2044	\$ 0.2045	\$ 0.2105	\$ 0.2128	\$ 0.2251	\$ 0.2393	\$ 0.2333	\$ 0.2371	\$ 0.2375
Whey - NASS	\$ 0.2442	\$ 0.2309	\$ 0.2341	\$ 0.2336	\$ 0.2351	\$ 0.2469	\$ 0.2477	\$ 0.2466	\$ 0.2487
F. O. 6 Class I @ Tampa	\$ 21.74	\$ 21.24	\$ 21.88	\$ 22.11	\$ 21.44	\$ 19.04	\$ 19.18	\$ 19.14	\$ 19.10
Net Cl. I Prem. @ Tampa	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
F.O. 6 Class I Utilization	85.5%	87.0%	83.9%	85.2%	84.6%	83.4%	84.3%	84.5%	
F. O. 6 Blend @ Tampa	\$ 21.66	\$ 20.89	\$ 21.59	\$ 20.99	\$ 19.34	\$ 18.43	\$ 18.06	\$ 18.32	
PMI - Average SCC	401,000	368,000	354,000	343,000	344,477	329,557	298,561	283,096	
PMI - Average SPC	8,000	5,800	8,500	13,580	9,092	26,331	14,633	8,091	
PMI - Average PIC	21,200	15,100	11,580	16,680	22,211	22,938	46,843	19,223	
Premiums Paid - PMI	\$ 0.15	\$ 0.28	\$ 0.34	\$ 0.30	\$ 0.26	\$ 0.29	\$ 0.39	\$ 0.46	

Class III Milk Futures	Jan	Feb	March	April	Current
<b>May-16</b>	\$ 14.25	\$ 13.66	\$ 14.01	\$ 13.17	\$ 12.80
<b>Jun-16</b>	\$ 14.65	\$ 13.87	\$ 14.11	\$ 13.26	\$ 12.99
<b>Jul-16</b>	\$ 15.04	\$ 14.25	\$ 14.26	\$ 13.51	\$ 13.30
<b>Aug-16</b>	\$ 15.50	\$ 14.63	\$ 14.69	\$ 14.18	\$ 13.98
<b>Sep-16</b>	\$ 15.74	\$ 15.00	\$ 14.90	\$ 14.67	\$ 14.65
<b>Oct-16</b>	\$ 15.92	\$ 15.21	\$ 15.03	\$ 14.83	\$ 14.98
<b>Nov-16</b>	\$ 15.88	\$ 15.26	\$ 15.03	\$ 14.84	\$ 15.05
<b>Dec-16</b>	\$ 15.85	\$ 15.26	\$ 14.95	\$ 14.88	\$ 15.05
<b>Jan-17</b>	\$ 15.58	\$ 15.21	\$ 14.77	\$ 14.95	\$ 15.07
<b>Feb-17</b>		\$ 15.05	\$ 14.75	\$ 15.13	\$ 15.13
<b>Mar-17</b>			\$ 14.72	\$ 15.29	\$ 15.32
<b>Apr-17</b>				\$ 15.12	\$ 15.40

Mailbox Price Comparison		
FL	USDA	PMI
Apr-16		\$ 16.39
Mar-16		\$ 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
Jun-15	\$ 18.21	\$ 17.47
May-15	\$ 17.77	\$ 17.95

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