Milk volumes and component amounts continue to increase, seasonally, in the upper Midwest. Milk levels continue to increase in the southern states of the region, but there it has been a slower return to form. Milk prices are holding in a steady pattern for all uses. Class I schedules are meeting seasonal expectations, as school breaks near. Cheesemakers in the Upper Midwest reported a bit of a surge in offers of spot milk late last week, but there was a quick return to normalcy this week. Reported spot milk prices, from both cheesemakers and milk handlers, ranged from $.25 to $1.25 over Class III. Last year, during week 45, prices ranged from $1 under to $.50 over Class.

Most contacts expect some growth in spot milk availability in upcoming weeks, with the fall/winter holidays fast approaching. Cheesemakers report that offers for holiday week tankers have begun. The cream market remains in contrast to that of fluid milk. Spots are widely available for all uses. End users at all Class levels have tightened their purse strings when it comes to taking on extra cream loads, therefore milk/cream handlers are having trouble placing loads. Multiples continued to move lower week to week. Near-term expectations, along with historical holiday timeframe pricing trends, would indicate those multiples will continue downward. Butter makers are keeping constraints on inventory growth while market prices adjust lower, while other Class end users have slowed down on manufacturing for the season.

The DMN monthly average of the range price series for Upper Midwest Class II cream during October was $4.4488, compared to $3.6792 in September.

Price Range - Class III Milk; $.CWT; Spot Basis: 25 - 1.25
Trade Activity: Moderate