

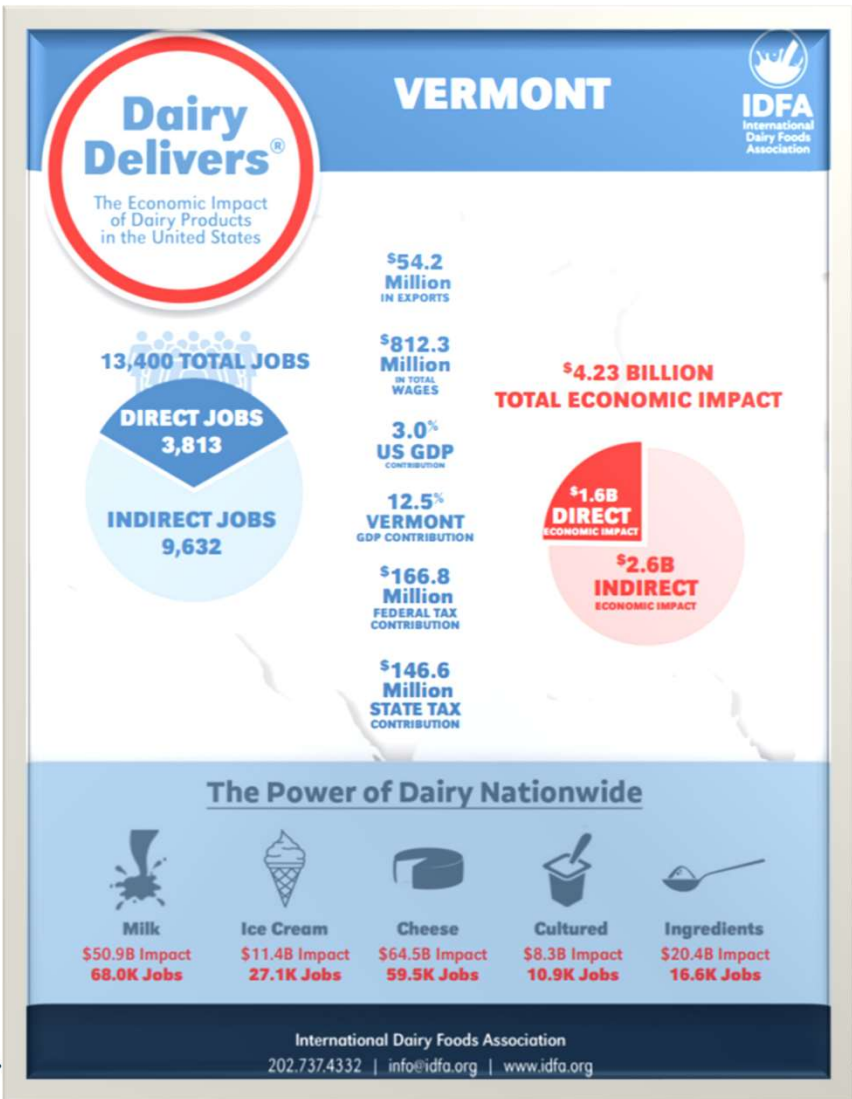


Vermont Milk Commission

May 6, 2024

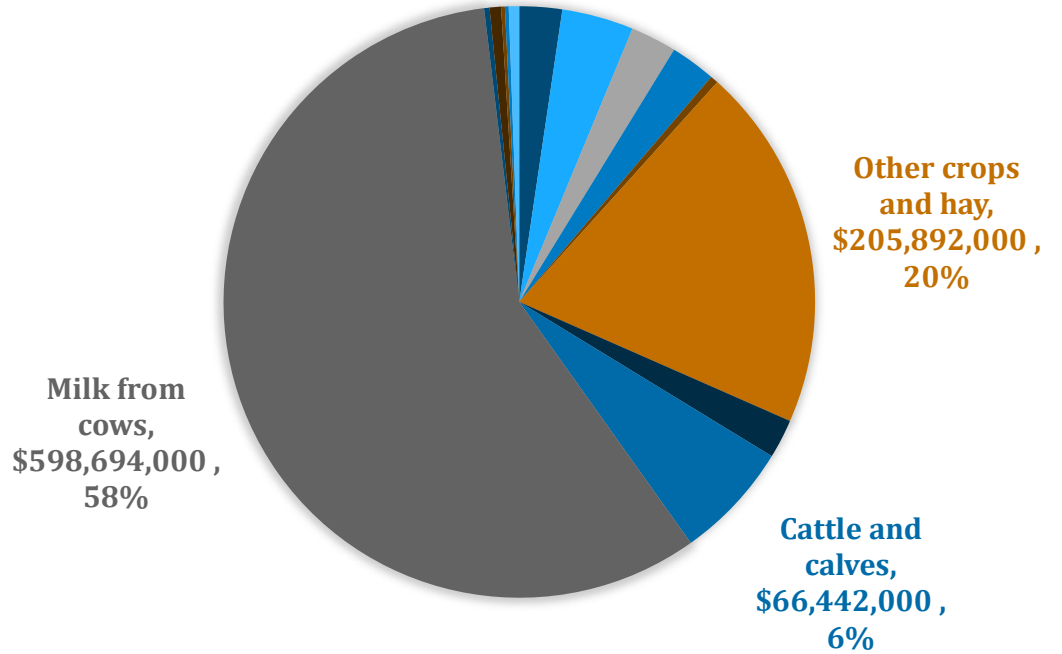
Catherine de Ronde VP Economics &
Legislative Affairs





Value of Vermont Dairy

VERMONT MARKET VALUE OF AGRICULTURAL PRODUCTS SOLD



Sources: 2022 US Census of Agriculture & IDFA Dairy Delivers



Our Cooperative Today

500 Farm Families

3.2 Billion Pounds of Milk

4 Production Plants

1 Cut & Wrap Facility

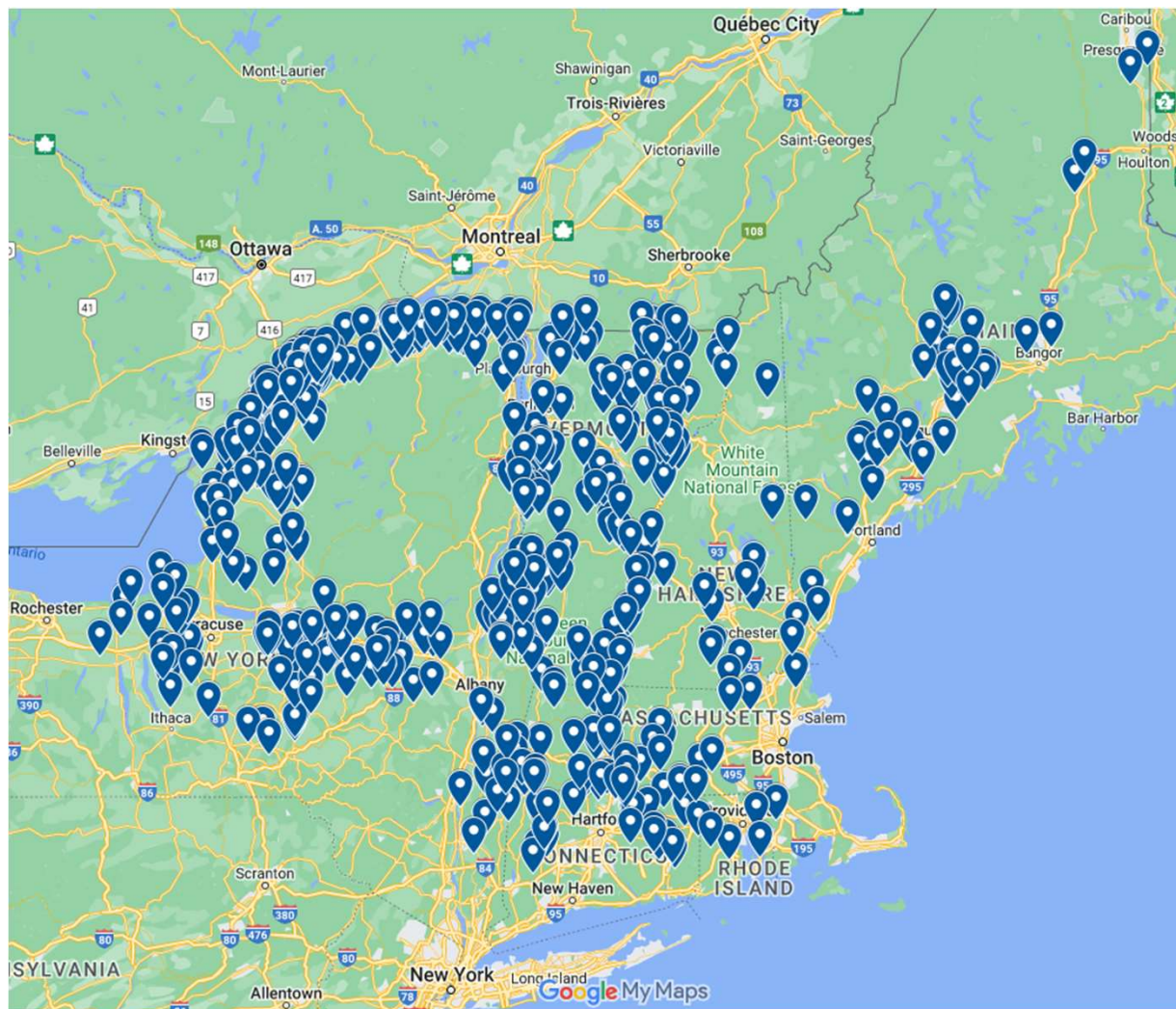
1 Retail Store

1,000+ Employees

\$1 Billion in Annual Sales



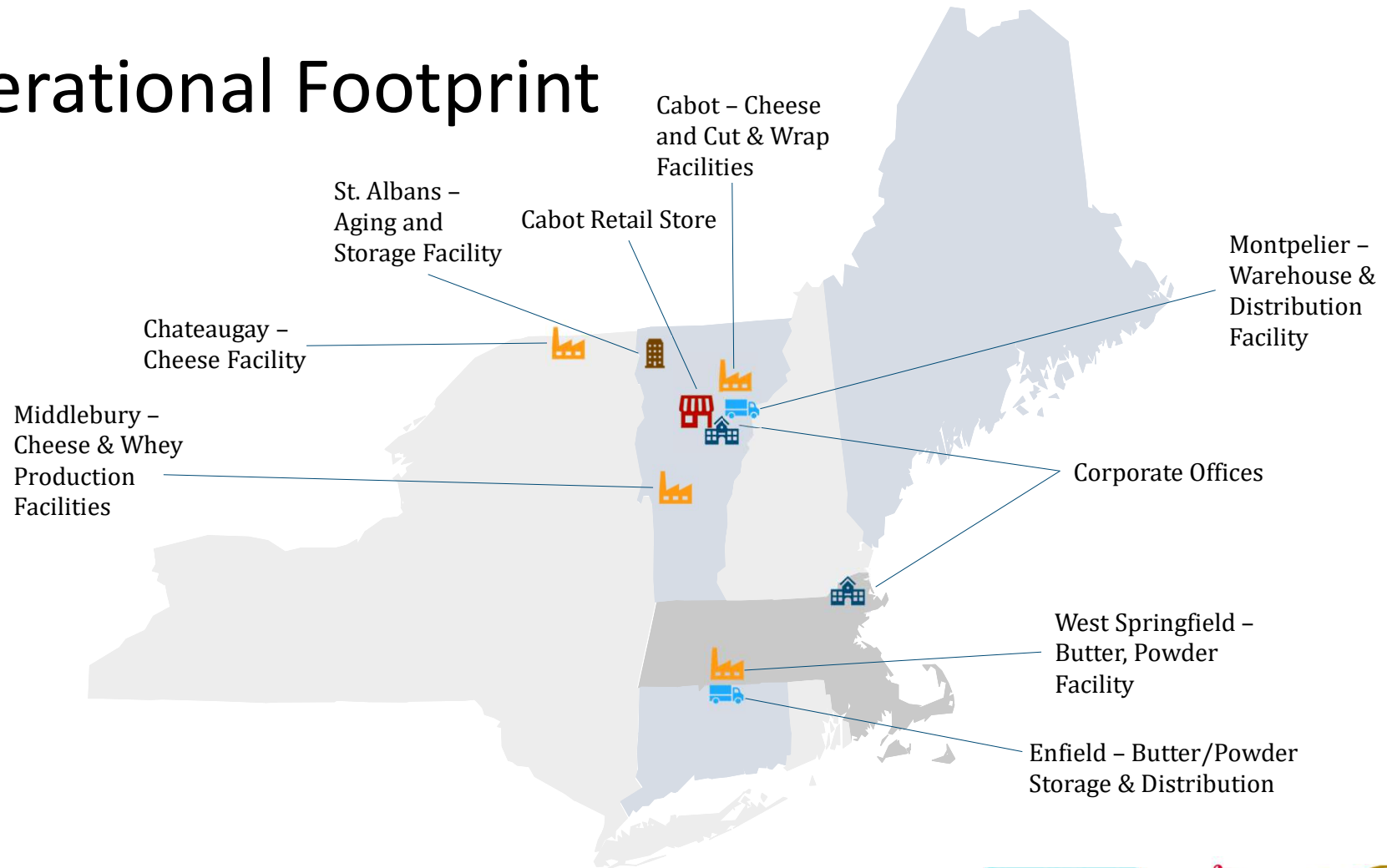
Farmer- Owner Footprint



Board of Directors



Operational Footprint



Our Capabilities



Branded
Cheese,
Butter,
Cultured



Food
Service
Cheese,
Butter,
Cultured



Whey
Powders



Milk
Powders



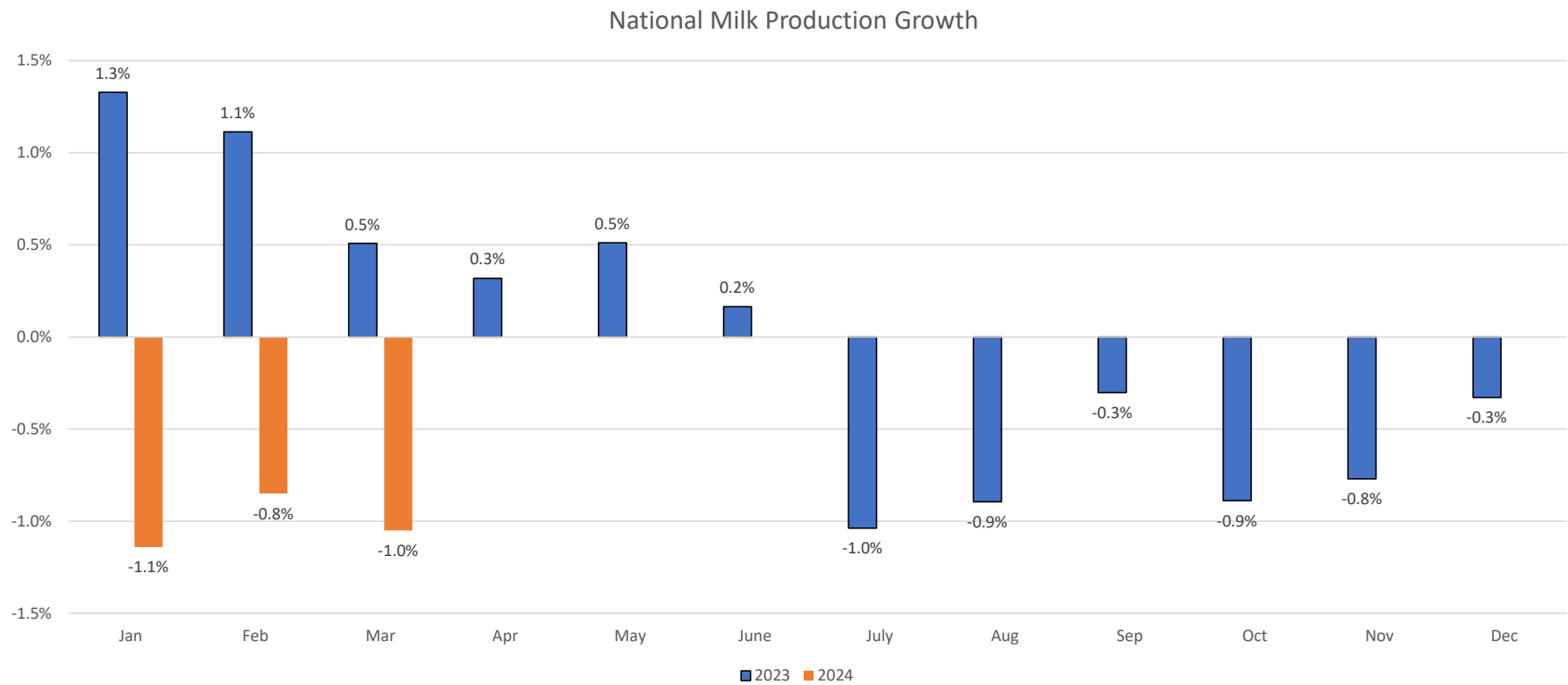
Bulk
Fluid
Milk



Dairy Market Outlook

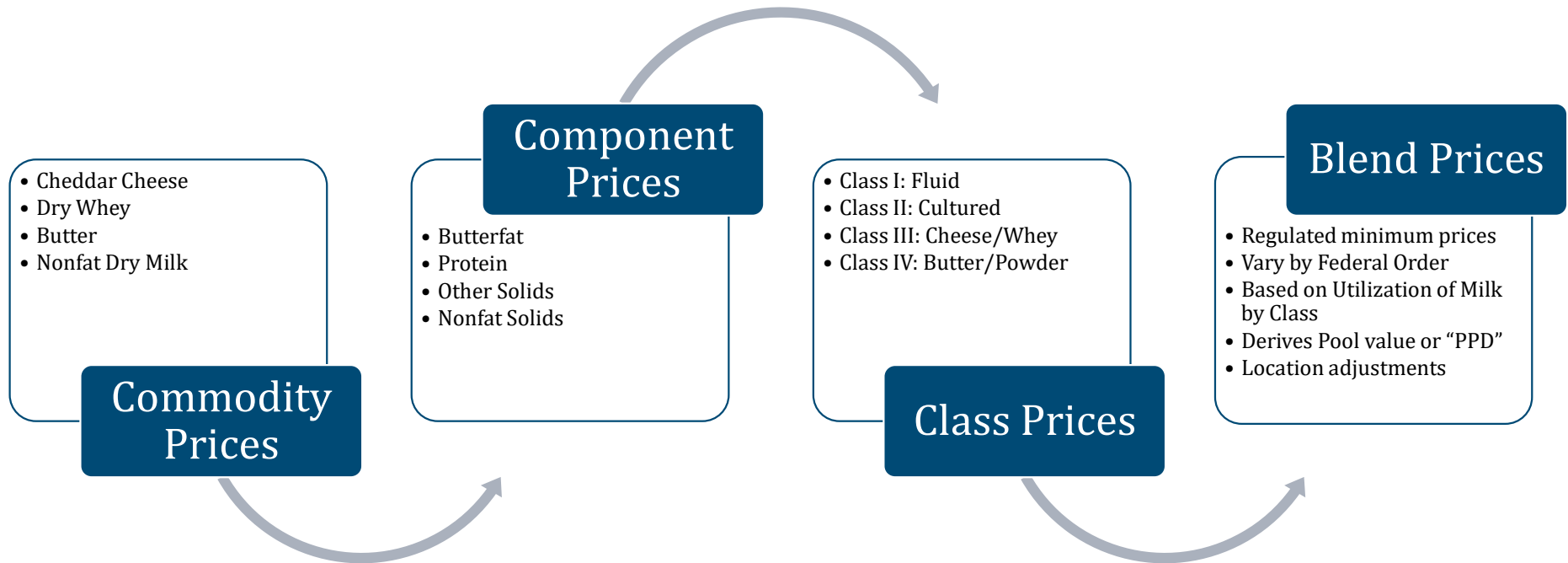


Supply opportunities and constraints



Current State FMMO Pricing

End-Product Pricing: Class III Components + PPD

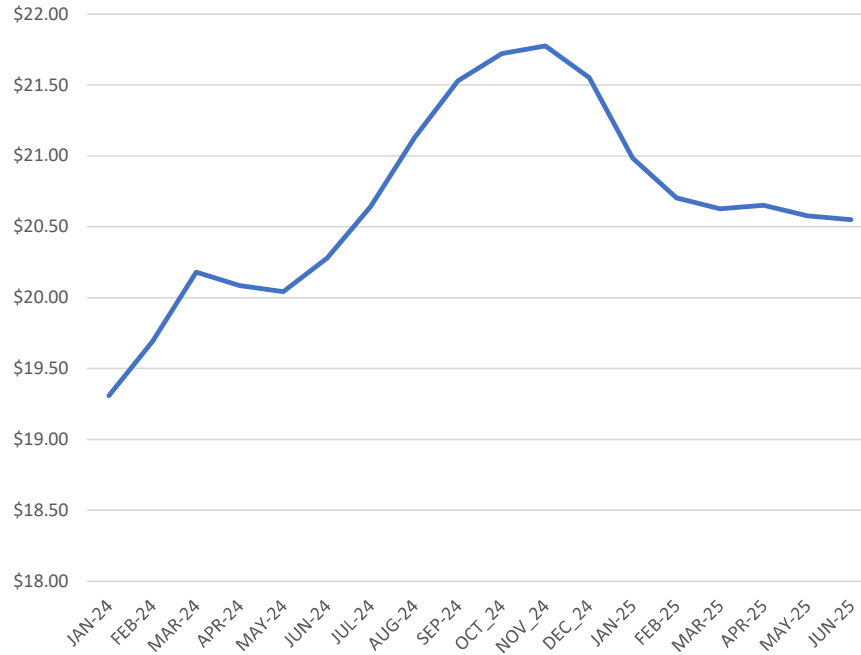


Milk Price Forecast

2024 Average Prices

- \$20.66 Blend
- \$17.04 Class III
- \$20.62 Class IV
- \$10.26 DMC Margin

Boston Blend Price
March 25, 2024



NORTHEAST MILK PRICE FORECAST Q3 2023 - Q2 2025



April 15, 2024

	COMPONENT PRICES PER POUND					BOSTON BLEND PRICE		Class Price				Class III	Class IV	DMC
	BUTTER		OTHER	BOSTON	PPD/cwt.	@3.5 bf	I	II	III	IV	Futures	Futures	Margin ¹	
	FAT	PROTEIN	SOLIDS	PPD/cwt.										
JUL-23	\$2.80	\$1.20	\$0.07	\$4.46	\$18.23	\$20.57	\$19.12	\$13.77	\$18.26	\$13.77	\$18.26	\$18.26	\$3.52	
AUG-23	\$3.02	\$2.09	\$0.06	\$2.24	\$19.43	\$19.86	\$19.91	\$17.18	\$18.91	\$17.18	\$18.91	\$18.91	\$6.46	
SEP-23	\$3.13	\$2.30	\$0.10	\$2.03	\$20.42	\$22.14	\$19.98	\$18.40	\$19.09	\$18.40	\$19.09	\$19.09	\$8.44	
OCT-23	\$3.71	\$1.05	\$0.12	\$4.36	\$21.20	\$22.71	\$21.95	\$16.84	\$21.50	\$16.84	\$21.50	\$16.84	\$9.44	
NOV-23	\$3.46	\$1.32	\$0.19	\$3.59	\$20.74	\$23.00	\$21.21	\$17.15	\$20.87	\$17.15	\$20.87	\$17.15	\$9.58	
DEC-23	\$2.98	\$1.45	\$0.22	\$3.67	\$19.71	\$23.01	\$19.88	\$16.04	\$19.23	\$16.04	\$19.23	\$16.04	\$8.34	
JAN-24	\$2.98	\$1.13	\$0.24	\$4.14	\$19.31	\$21.73	\$20.04	\$15.17	\$19.39	\$15.17	\$19.39	\$15.17	\$8.48	
FEB-24	\$3.10	\$1.23	\$0.27	\$3.61	\$19.69	\$21.24	\$20.53	\$16.08	\$19.85	\$16.08	\$19.85	\$16.08	\$9.44	
MAR-24	\$3.24	\$1.13	\$0.29	\$3.84	\$20.18	\$22.05	\$21.12	\$16.34	\$20.09	\$16.34	\$20.09	\$16.34	\$10.05	
APR-24	\$3.32	\$0.82	\$0.24	\$4.65	\$20.09	\$22.43	\$21.17	\$15.43	\$20.14	\$18.00	\$20.46	\$18.00	\$9.93	
MAY-24	\$3.34	\$1.19	\$0.21	\$3.61	\$20.04	\$21.75	\$20.92	\$16.42	\$20.22	\$18.25	\$20.57	\$18.25	\$9.86	
JUN-24	\$3.36	\$1.29	\$0.20	\$3.48	\$20.28	\$22.28	\$21.01	\$16.78	\$20.39	\$18.60	\$20.87	\$18.60	\$10.03	
JUL-24	\$3.40	\$1.44	\$0.21	\$3.23	\$20.64	\$22.55	\$21.22	\$17.40	\$20.69	\$18.77	\$21.12	\$18.77	\$10.29	
AUG-24	\$3.44	\$1.57	\$0.22	\$3.16	\$21.13	\$23.01	\$21.52	\$17.96	\$20.99	\$18.94	\$21.28	\$18.94	\$10.71	
SEP-24	\$3.46	\$1.64	\$0.23	\$3.20	\$21.53	\$23.44	\$21.78	\$18.31	\$21.33	\$19.11	\$21.45	\$19.11	\$11.09	
OCT-24	\$3.49	\$1.61	\$0.24	\$3.33	\$21.72	\$23.79	\$22.12	\$18.38	\$21.51	\$18.96	\$21.59	\$18.96	\$11.19	
NOV-24	\$3.50	\$1.50	\$0.25	\$3.61	\$21.78	\$23.91	\$22.25	\$18.15	\$21.63	\$18.79	\$21.60	\$18.79	\$11.16	
DEC-24	\$3.36	\$1.61	\$0.26	\$3.47	\$21.55	\$23.86	\$21.87	\$18.07	\$21.25	\$18.31	\$21.00	\$18.31	\$10.88	
JAN-25	\$3.09	\$1.84	\$0.22	\$3.42	\$20.98	\$23.63	\$20.98	\$17.54	\$20.45	\$18.11	\$19.60	\$18.11	\$10.22	
FEB-25	\$3.04	\$1.86	\$0.21	\$3.32	\$20.70	\$22.96	\$20.98	\$17.37	\$20.37	\$18.00	\$19.09	\$18.00	\$9.91	
MAR-25	\$3.04	\$1.86	\$0.20	\$3.30	\$20.63	\$22.83	\$21.07	\$17.31	\$20.45	\$18.10	\$19.09	\$18.10	\$9.79	
APR-25	\$2.99	\$1.97	\$0.15	\$3.44	\$20.65	\$22.85	\$20.98	\$17.20	\$20.28	\$17.92	\$18.40	\$17.92	\$9.76	
MAY-25	\$2.97	\$2.03	\$0.15	\$3.27	\$20.58	\$22.70	\$20.90	\$17.28	\$20.37	\$18.00	\$18.35	\$18.00	\$9.63	
JUN-25	\$2.94	\$2.06	\$0.15	\$3.23	\$20.55	\$22.79	\$20.99	\$17.30	\$20.29	\$17.95	\$18.30	\$17.95	\$9.56	
2022 Avg	\$3.26	\$2.72	\$0.42	\$3.00	\$24.96	\$26.91	\$25.45	\$21.96	\$24.47	\$16.38	\$19.29	\$16.38	\$7.34	
2023 Avg	\$2.96	\$1.91	\$0.17	\$2.99	\$20.01	\$22.45	\$20.10	\$17.02	\$19.12	\$17.02	\$19.12	\$17.02	\$6.69	
2024 Avg	\$3.33	\$1.35	\$0.24	\$3.61	\$20.66	\$22.67	\$21.30	\$17.04	\$20.62	\$17.94	\$20.77	\$17.94	\$10.26	
2025 Avg	\$3.01	\$1.94	\$0.18	\$3.33	\$20.68	\$22.96	\$20.98	\$17.34	\$20.37	\$18.01	\$18.81	\$18.01	\$9.81	

¹ DMC margin estimate based on Agri-Mark all-milk forecast and feed forecasts

Forecast incorporates April 12, 2024 CME futures values

Announced values italicized

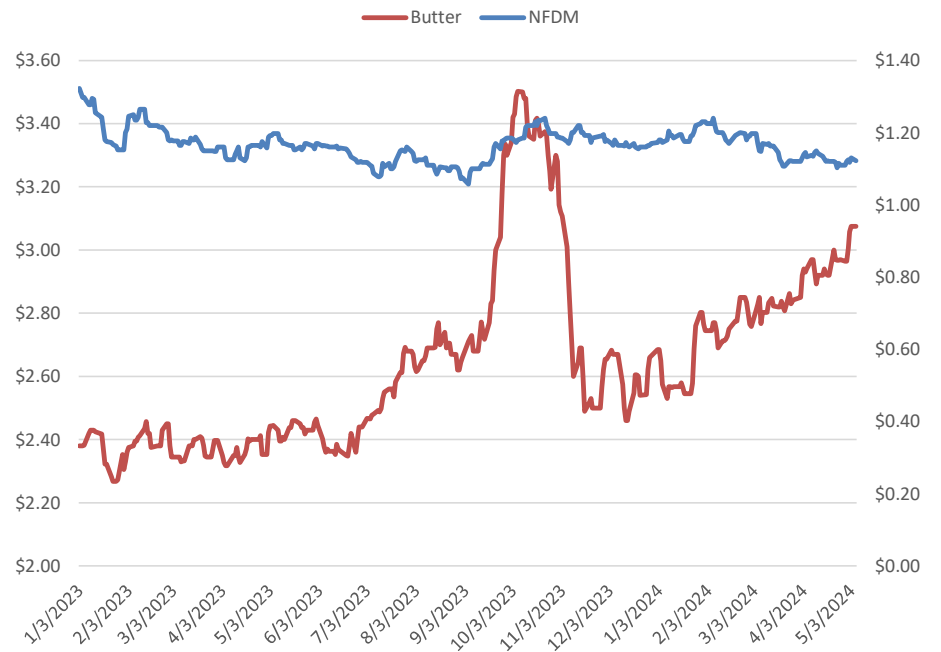
Prepared by: Catherine de Ronde - Agri-Mark Dairy Cooperative

Commodity Summary

Class III

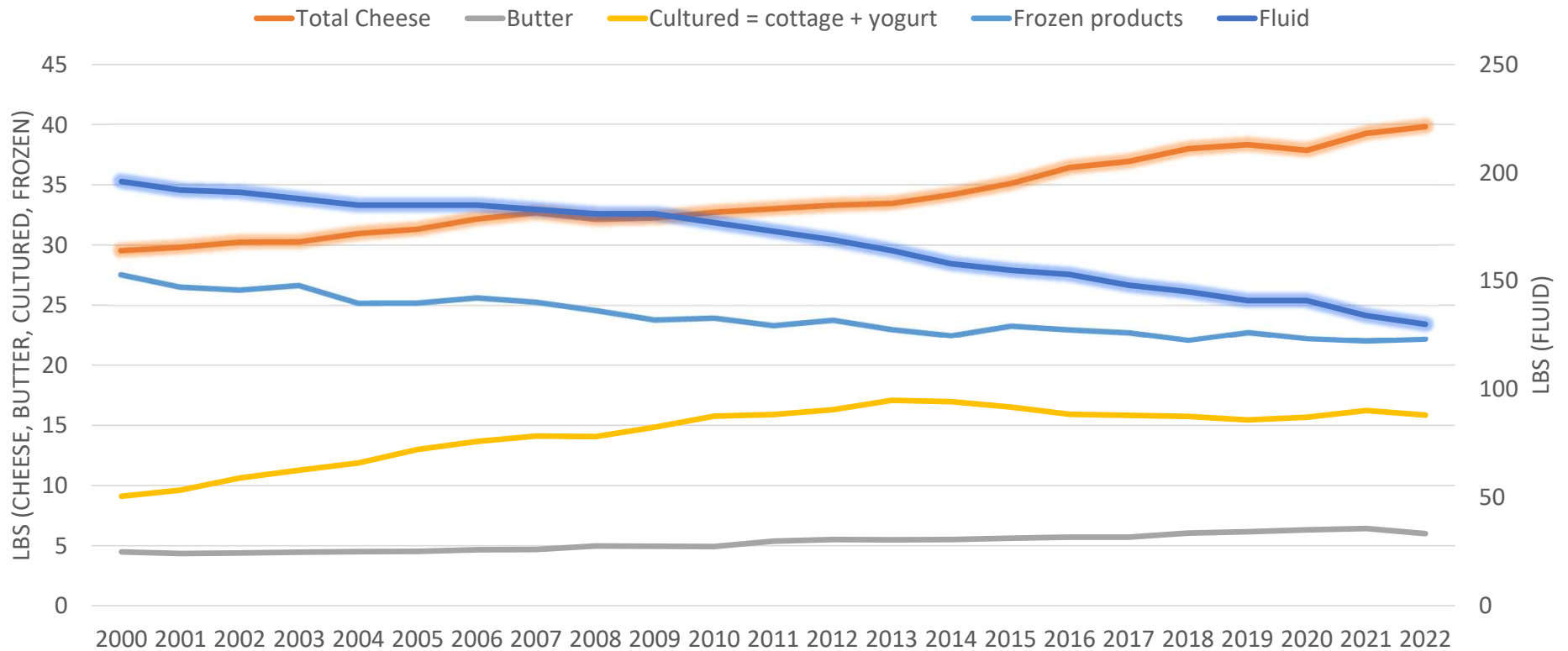


Class IV



US Commodity Dairy: Opportunities for Growth

Dairy Products: Per capita consumption, United States



National Cheese Market

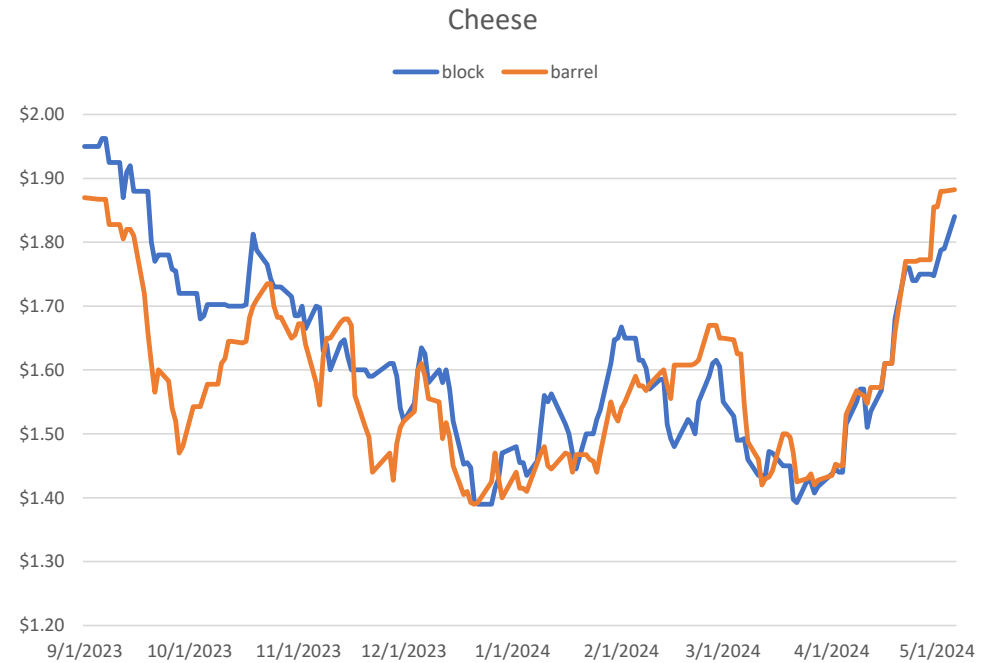


Announced Expansions



Map Source: NMPF-USDEC

“Yo-Yo Effect”



FMMO Update



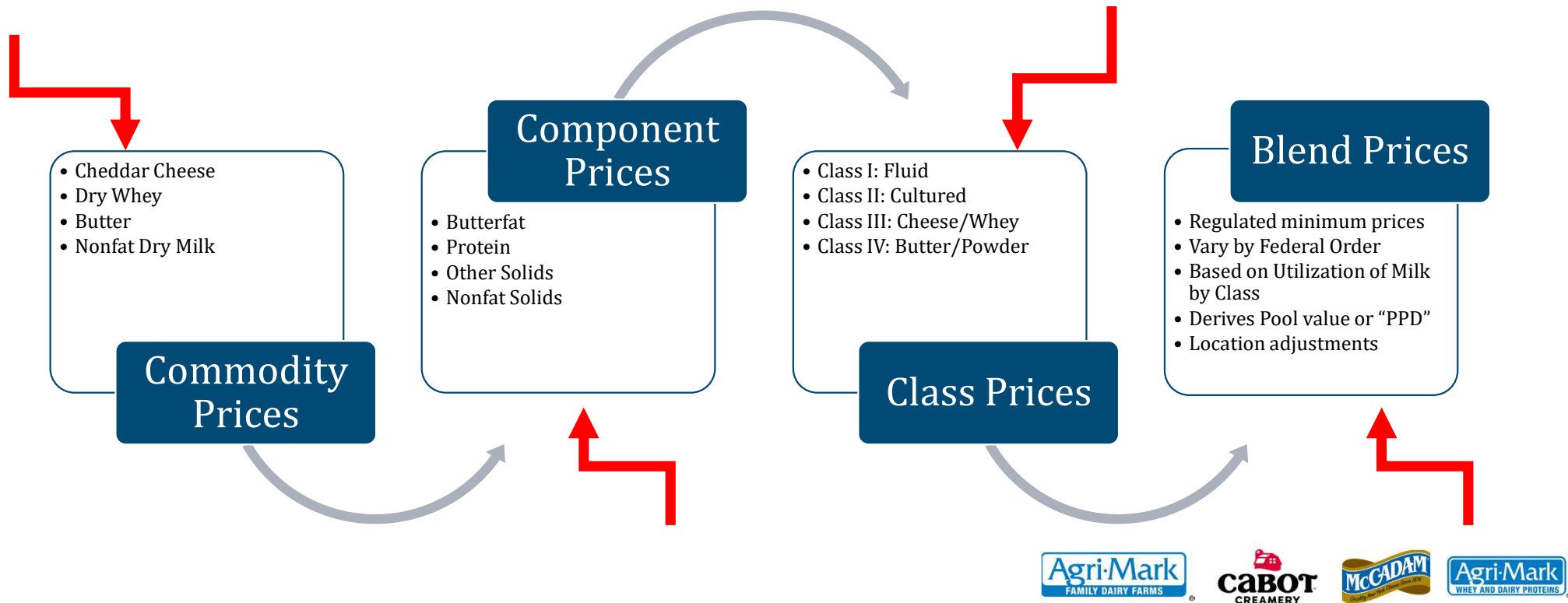
FMMO Changes Coming

- The process & our involvement
- The hearing
- Next steps
- Several areas critical to success of farmer-owners and cooperative



Future State FMMO Pricing

End-Product Pricing: Class III Components + PPD



Milk
Composition

Surveyed
Commodity
Products

Class III and
Class IV
Formula Factors

Base Class I
Skim Milk Price

Class I and Class
II Differentials

FMMO Reform Topics



Farm Bill

- House and Senate Agriculture Committees rolled out high-level summaries of farm bills last week.
- House committee markup 5/23
- Much work to be done, but significant step!



Thank you!

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