

Arizona Dairy Market Trends



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AgWest Farm Credit



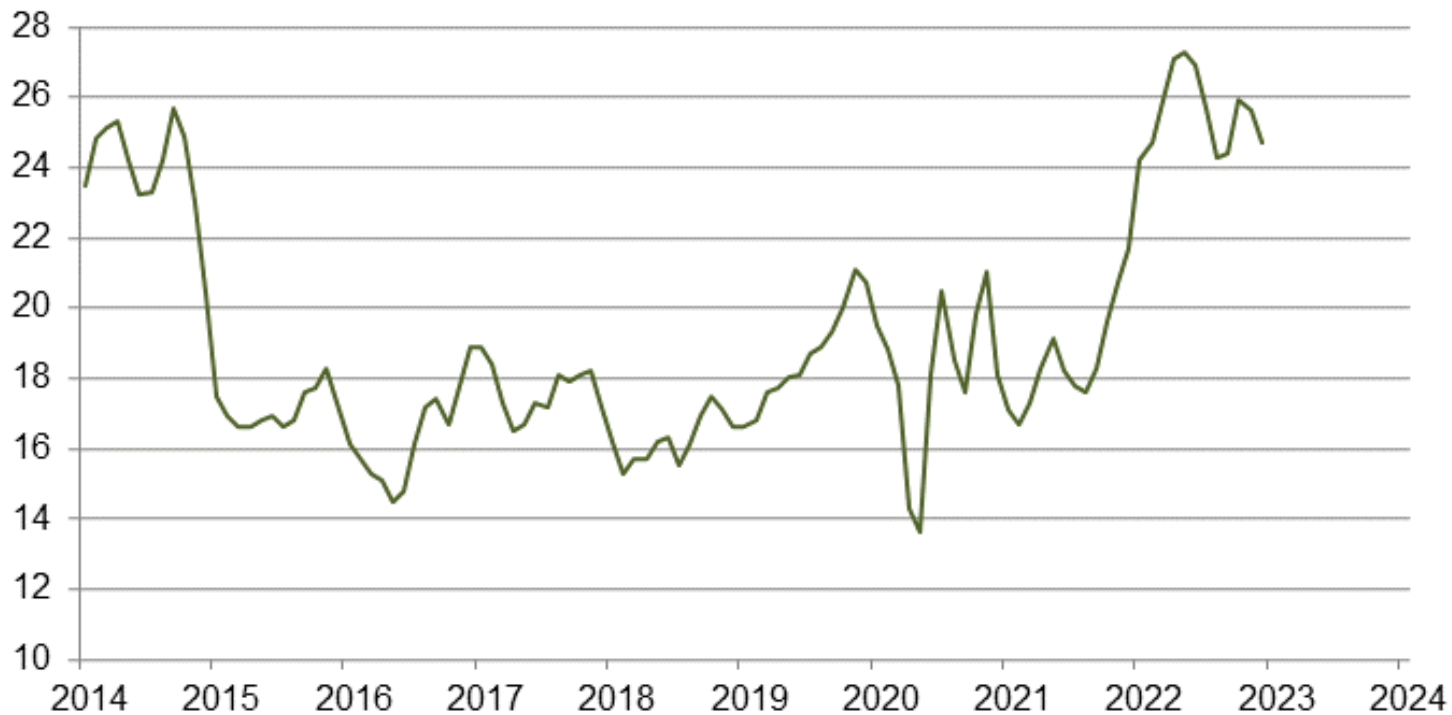
Dairy Industry Overview

- Milk prices increased to highs in mid 2022
- Margins will be tighter in 2023
- Sales and lease market was active in 2022. All modern facilities are occupied
- Arizona's total herd size stable in recent years
- # of Arizona herds stable in recent years (data from USDA AMS Federal Milk Marketing Order monthly bulletin)
 - 2018- 76 Arizona producers
 - 2020- 61 Arizona producers
 - 2023- 61 Arizona producers



Prices Received for Milk by Month – United States

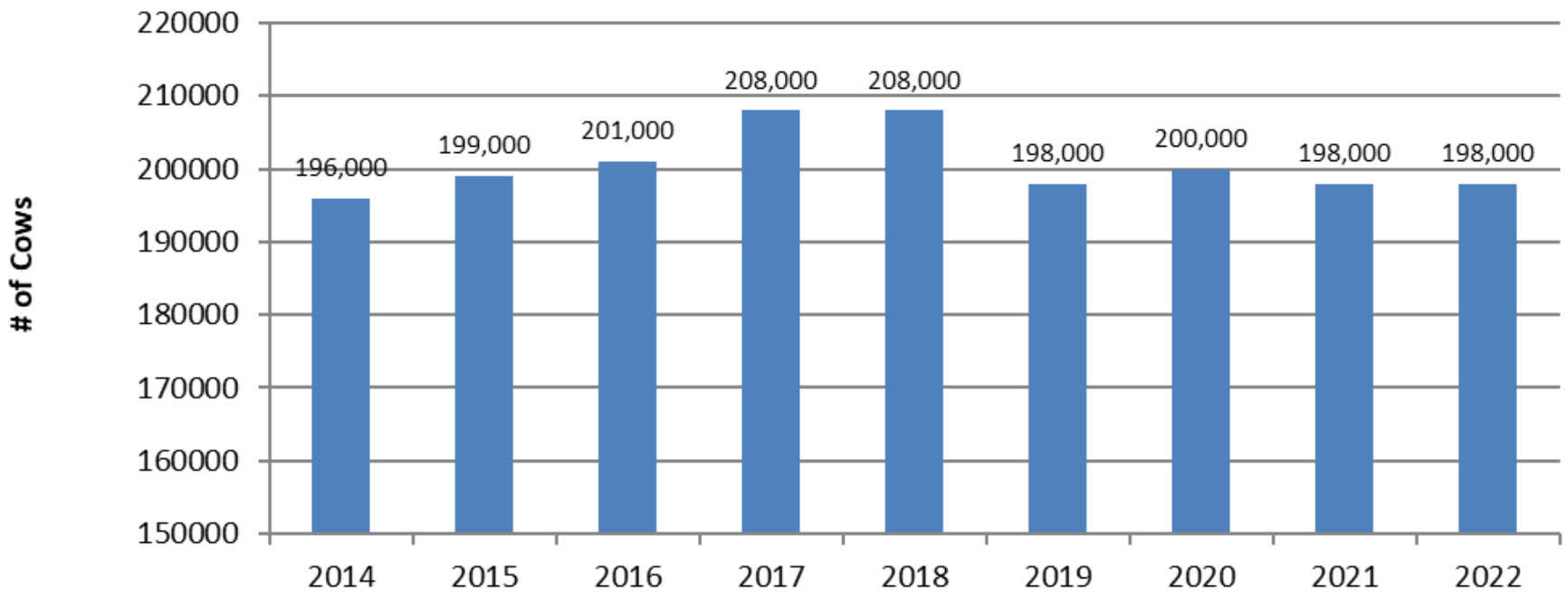
Dollars per cwt



USDA – NASS
1/31/2023



of Dairy Cows in Arizona per USDA's 2022 AZ Agricultural Statistics



Arizona Dairy Sales

- 3 dairy sales closed in 2022
 - 3 recent sales indicate values are stable
 - See chart with average sale prices on the following page
- Rental rates are stable
 - \$10-17 per wet cow per month
 - Low end for lower cost conventional corrals
 - High end more expensive Saudi style shades, cooling, etc
 - On-site housing and calf/heifer facilities may lead to higher rent per cow



Avg Sale \$/Wet & Dry Cow

