



CENTER FOR
DairyEXCELLENCE

Dairy Week In Review

Dated
January 20, 2010



Federal and State Policy:

- At its annual meeting in Seattle, the American Farm Bureau reaffirmed its opposition to a mandatory milk supply management program. It supported any legislation that would suspend authority of the Environmental Protection Agency to regulate greenhouse gases under air pollution laws.

Markets:

Dairy Prices	Price	Chge. From Week Ago	Chge. from Month Ago	Chge. From Year Ago
Milk Price (Dec.) **	\$16.20/cwt.	▲ 0.3 %	▼ 1.9 %	▲ 52.4 %
Corn (Mar.)	\$3.68/bushel	▼ 4.5 %	▼ 0.2 %	▼ 5.0 %
SBean Meal (Jan.)	\$286.2/ton	▼ 4.9 %	▼ 10.6 %	▼ 7.7 %
Milk Margin*	\$11.97/cwt.	—	▲ 13.8 %	▲ 16.6 %

**Each issue of "Dairy Week in Review" will report on current and projected "Milk Margin," or the dollars remaining per one hundred lbs. of milk after feed is paid for. Milk margin is affected by both milk & feed prices.*

*** The milk price reported is the Class III futures price for the next month plus a basis of \$1.75, which is an estimate of what you can expect to see on your milk check for the coming month.*

Industry:

- U.S. milk production fell 0.9 percent in December and was down 0.1 percent for the year, at 189.26 billion lbs. This was the first year since 2001 that milk production fell. Cows fell another 3,000 head in December to 9.082 million, down 252,000 from a year ago. U.S. average milk per cow was up 1.8 percent in December. In Pennsylvania, total milk production was up 0.7 percent, while milk production per cow was up 2.5 percent and cow numbers were down by 10,000 head, according to the USDA Milk Production Report.
- The Bureau of Labor Statistics reported a 0.6 percent increase in fluid milk sales during the Sept. – Nov. period. Retail prices for milk, cheese and butter were down over the three-month period.

Events:

- The Center for Dairy Excellence will host a "Mastering the Dairy Business" conference call with Gary Snider from Farm Credit on building a budget on Wednesday, Jan. 27, from 12—1:30 p.m. Call 717-346-0849 to register.



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