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**Dairy** EXCELLENCE

# Dairy Week In Review

Dated  
June 17, 2010



**Markets:**

Dairy Prices	Price	Chge. From Week Ago	Chge. from Month Ago	Chge. From Year Ago
Milk Price (June) **	\$15.20/cwt.	▲ 1.1 %	▼ 0.6 %	▲ 23.7 %
Corn (July)	\$3.38/bushel	▲ 5.3 %	▼ 5.8 %	
SBean Meal (July)	\$285.5/ton	▲ 0.5 %	▼ 1.9 %	
Milk Margin*	\$10.76/cwt.	—	▼ 4.0 %	▲ 66.6 %

*\*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.*

- U.S. cheese exports were at record highs in April, up 72 percent from a year ago to 31.9 million lbs. Cheese imports are down 14 percent to 19.5 million pounds. From 2004 – 09, imports have typically outstripped exports by 19.5 million per month.
- Exports of milk powder were also up in April, according to USDA's FSA data. Exports of nonfat dry milk and skim milk powder were up 51 percent from a year ago to 59.9 million pounds. Dry whey exports were up 24 percent to 46.8 million lbs. and whole milk powder concentrate exports were up 72 percent to 34.5 million lbs.
- The USDA revised its estimated milk production in the latest "World Agricultural Supply and Demand" report, released last week, increasing estimated milk production for 2010 by 200 million pounds to 190.4 billion lbs. 2011 production was kept at 193.0 billion lbs. The average all-milk price for 2010 was raised 5 cents to \$15.95 per cwt., with the 2011 all-milk price raised 10 cents to \$16.30.
- In the report, the USDA said higher use combined with lower beginning stocks will reduce 2010/11 ending stocks for corn. The season-average farm price for corn was raised 10 cents higher to \$3.30 - \$3.90 per bushel. The soybean price was projected at \$8 - \$9.50 per bushel, due to an anticipated increase in exports and lower projected ending stocks.

**Government & Industry:**

- Last week, CWT approved eight bids to provide bonuses on exports of 2.0 million lbs. of cheddar and Monterey Jack. Delivery will take place from June to December. In three months since reopening the program, CWT has accepted export-assistance bids on 38.0 million lbs. of cheese.
- Next Friday, June 25, is the deadline for dairy producers to submit bids for the latest round of herd retirements through Cooperatives Working Together. To be considered, bids must not exceed \$3.75 per cwt.
- Congress unanimously passed the bipartisan resolution recognizing June as National Dairy Month, with 79 members of the House of Representatives co-sponsoring the resolution introduced by Rep. Joe Courtney from Connecticut on May 18.
- New Zealand dairy exports, which make up a fifth of the nation's total overseas trade, are likely to surge 58 percent over the next four years on rising prices and demand, according to the nation's Ministry of Agriculture forecasts. Dairy exports are expected to rise to \$10.9 billion by the year ending June 30, 2014.

