



Dairy Week In Review

Dated July 1, 2010

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (June) **	\$15.36/cwt.	▲ 0.7 %	▲ 0.8 %	▲ 23.6 %
Corn (July)	\$3.54/bushel	▲ 4.6 %	▼ 2.8 %	
SBean Meal (July)	\$289.5/ton	▲ 1.4 %	▲ 5.8 %	
Milk Margin*	\$11.20/cwt.	—	▲ 3.32 %	▲ 67.16 %

*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.

- The *Daily Dairy Report*, published online, shows commercial disappearance of total cheese up 1.6 percent in the February – April period, with consumption of American cheese up 1.3 percent from a year ago, following five months of declines. Butter consumption was down 2.1 percent, and usage of nonfat dry milk and skim milk powder were up 11.6 percent.
- The latest USDA "Ag Prices" report shows a 70-cent increase in the All-Milk Price, up to \$15.80 per hundredweight in June. The cost of feed to produce 100 pounds of milk was down 1.6 percent from May to \$6.78. Income over feed was up 81 cents to \$9.02 per hundredweight.
- USDA's "Livestock Slaughter" report shows that dairyman sent 209,100 cows to slaughter in May, the lowest amount since July 2009. Slaughter numbers are down 2.9 percent during the first five months of the year, with July's culling significantly below a year-ago levels.
- The USDA's "Grain Stocks" report shows corn stocks are up 1 percent from June 2009, with 4.31 billion bushels reported on June 1, 2010. Soybean stocks are down 4 percent, and wheat stocks are up 48 percent. Corn planted area for all purposes in 2010 is estimated at 87.9 million acres, up 2 percent from last year. Soybean planted area for 2010 is estimated at a record high 78.9 million acres, up 2 percent from last year.

Industry:

- June 25 was the deadline to submit bids for Cooperatives Working Together's 10th herd retirement. Bids will be reviewed in early July, and audits of farms whose bids were selected will begin the week of July 12, 2010.
- Dairy princesses visited Wegmans Food Markets across the Mid-Atlantic region in June to celebrate "National Dairy Month." The visits are part of an ongoing partnership among Wegmans and Dairy Checkoff funded programs to promote milk as a local food.
- Pennsylvania's Junior Holstein members fared well at the National Junior Holstein Convention this week. Congratulations to the National Dairy Bowl Senior Division winners Chad Horst, Ethan Himmelberger, Sarah Smith and Matt Williams and coaches Duane Nolt and Hannah Bomgardner from Lebanon County, and to Sarah Caldwell from Beaver County who won the Prepared Speech Senior Division.
- PennAg Industries and the PA Dairymen's Association hosted a milkshake reception at the state Capitol Complex this week to promote the dairy industry and PA Farm Show food court.

