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**Dairy**EXCELLENCE  
 Dairy Week In Review



Dated January 10, 2024

**Markets:**

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Jan)	\$15.20/cwt.	▼ 0.8 %	▼ 6.7 %	▼ 22.3 %
Class IV Milk Price (Jan)	\$19.33/cwt.	—	▲ 1.3 %	▼ 1.6 %
Corn (March)	\$ 4.59/bushel	▼ 1.3 %	▲ 0.6 %	▼ 30.1 %
SBean Meal (Jan)	\$ 361.3/ton	▼ 5.2 %	▼ 14.3 %	▼ 28.6 %
DMC Margin (November)*	\$ 9.58/cwt.	—	▲ 1.5 %	▼ 13.1 %

*\*Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.*

- USDA also released its latest Dairy Products Report earlier this week. Total cheese production is up 0.7 percent from a year ago to 1.16 billion pounds, which is down 2.6 percent or about 30 million pounds, from October. American type cheese production was up 0.7 percent from a year ago but down 0.2 percent from October, while Cheddar production was down 0.4 percent from November 2022 and 1.9 percent from October. Butter production was down 3.7 percent from a year ago but up 1.8 percent, or 8.1 million pounds, from last month. The normal month-to-month increase for butter production in November is 9.2 million pounds.
- Nonfat and skim milk powder production is down 17.3 percent from a year ago, with nonfat dry milk powder production decreasing 7.6 million pounds from October versus a five-year average increase of 20.3 million pounds during the same period. Skim milk powder production was up 15.8 million pounds from October, versus a five-year average decrease of 5.1 million pounds.
- The Dairy Production report also reported stocks of nonfat dry milk powder falling 3.6 percent from October. In USDA's Cold Storage report released late last month, total cheese stocks were down 2 percent from October to 1.433 billion pounds, up slightly from November 2022 levels. Butter stocks were down 10 percent from October's levels to 215.4 million pounds, up 8 percent from year-earlier levels.
- Total US dairy export volumes fell 8.1 percent year over year to 480.4 million pounds in milk solid equivalents in November, with the total value of dairy exports down 21 percent year over year to \$631 million in November. Year to date, total dairy export volumes are down 7.4 percent, while the overall value of dairy exports so far this year is down 16 percent from the previous year.
- A bright spot, though, was in the cheese category, with cheese suppliers shipping 85.1 million pounds overseas, up 4.1 percent from a year ago and a record volume for the month of November. With exports into Mexico leading the increase, total cheese exports were the highest since June 2022. In contrast, nonfat dry milk exports were down 4.7 percent, while whole milk powder exports were down 31 percent. Butterfat exports were down 56 percent.
- USDA announced the December Class III milk price at \$16.04 per cwt, down \$1.11 from November and \$4.46 below a year ago levels. The Class IV price was announced at \$19.23 per cwt., down \$1.64 from November and \$3 below year-ago levels. With the December close, Class III milk prices averaged \$17.02 per cwt in 2023, while Class IV prices averaged \$19.12 per cwt. The Class III price was \$4.94 below 2022 levels, while the Class IV price was \$5.35 below 2022.

**Government:**

- Pennsylvania Governor Josh Shapiro joined USDA Secretary Tom Vilsack and Pennsylvania Secretary of Ag Russell Redding to announce more than \$24 million in grant funding dedicated to Pennsylvania through the Resilient Food Systems Infrastructure Grant program. The USDA funding will be used to fund projects that strengthen the state's food systems by improving capacity and resilience in the middle of the supply chain for farms, food businesses and other eligible entities. Dairy processing infrastructure is among the focus areas for the funding. Pennsylvania is accepting applications for this Infrastructure Grant funding through March 30, 2024.