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Dairy EXCELLENCE
 Dairy Week In Review



Dated January 17, 2024

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Jan)	\$15.16/cwt.	▼ 0.3 %	▼ 6.1 %	▼ 22.1 %
Class IV Milk Price (Jan)	\$19.28/cwt.	▼ 0.3 %	▲ 1.0 %	▼ 2.4 %
Corn (March)	\$ 4.42/bushel	▼ 3.8 %	▲ 6.4 %	▼ 35.1 %
SBean Meal (Jan)	\$ 358.7/ton	▼ 1.4 %	▼ 11.2 %	▼ 25.2 %
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 released its monthly World Agricultural Supply and Demand Estimates report, increasing corn yields dramatically to a record high of 177.3 bushels per acre, up from last month's estimate of 174.9 bushel per acre. USDA decreased total acreage estimates but still reported the largest ever harvest for 2023 at 15.23 billion bushels. Domestic corn demand for livestock feed and ethanol purposes was increased, while corn exports were unchanged. USDA estimates corn ending stocks at 2.16 billion bushels, which if realized would be the largest carryover since the 2018-2019 growing season.
- Soybean yields were increased by 0.7 bushels per acre, while harvested acres were reduced by 400,000 acres. Total soybean production was increased by 36 million bushels, with an estimated carry over of 1.280 billion bushels. The report put more pressure on already declining corn and soybean prices.
- In October 2023, fluid milk sales bucked recent trends, increasing 0.9 percent from a year ago to 3.7 billion pounds. The increase was driven by increased demand for reduced-fat flavored milks. Despite the bright spot in October, year to date fluid milk sales in 2023 continue to be below year-ago levels, down 1.6 percent for the year with two months in sales left to report.
- When snow is in the forecast, the industry is always reminded that milk is a staple in most US households. Many grocery stores find their dairy aisle empty with so many rushing in to buy extra gallons of milk. Based on 2019 data, fluid milk is still in 94% of the nation's households, with 52% of those households exclusively buying milk (33 gallons of milk per year). That means, 42% of U.S. households buy both milk and plant-based alternatives (29 gallons of milk per household compared to only 5 gallons of plant-based beverages). Furthermore, only 3% of households buy plant-based beverages exclusively (9 gallons per household per year). The remaining households (3%) do not buy either milk or plant-based beverages.

Government:

- Dairy farmers and stakeholders are invited to unlock their potential at the PA Dairy Summit on February 6 - 8 at the Lancaster Wyndham. Learn more at www.padairysummit.org or call 814-355-2467.