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Dairy Week In Review



Dated March 20, 2024

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (March)	\$16.43/cwt.	▼ 0.6 %	▲ 1.5 %	▼ 9.0 %
Class IV Milk Price (March)	\$20.10/cwt.	▲ 0.6 %	▲ 0.9 %	▲ 9.1 %
Corn (March)	\$ 4.39/bushel	▲ 3.0 %	▲ 6.8 %	▼ 30.7 %
SBean Meal (March)	\$ 342.5/ton	▲ 3.2 %	▼ 0.2 %	▼ 24.3 %
DMC Margin (January)*	\$ 8.48/cwt.	—	▲ 0.4 %	▲ 6.8 %

**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.*

- Total milk production in the US was down 1.4 percent year over year to 18.105 billion pounds in February, when adjusted for Leap Year. Cow numbers were down 89,000 head from a year ago to 9.33 million head, up 10,000 head from last month. Milk production per cow in the US fell 0.4 percent from a year ago, when adjusted for Leap Year, to 1,955 pounds per cow.
- Wisconsin was the only state in the top eight to post an increase, after Leap Year adjustments, with milk volumes in that state increasing by 0.6 percent, driven by increases in milk production per cow. Milk production in California, Idaho, New York, and Texas fell by 0.9, 2.7, 1 and 0.7 percent, respectively. Michigan, Minnesota and Pennsylvania were all down as well, falling 0.4, 2.1, and 1.8 percent, respectively. Only seven states in the entire top 24 dairy states posted increases in milk production. Pennsylvania's cow numbers held steady from a month ago at 465,000 head, with milk per cow down 1.5 percent from a year ago, after Leap Year adjustments.

Government and Industry:

- Commodity prices went on a roller coaster ride last week with news of an apparent illness affecting dairy cattle in Texas. The USDA and the Texas Animal Health Commission are currently investigating reported occurrences of the illness in the Texas panhandle. No cause has been determined, but the Texas Animal Health Commission is conducting a full epidemiological investigation to learn more about the cause and transmission of the condition inflicting the cattle.
- According to reports from local veterinarians, the most common clinical signs of the illness, which include reduced rumination, decreased feed consumption, and significantly reduced milk production, are appearing most often in mature lactating dairy cattle. Clinical symptoms seem to appear in about 10 percent of a herd, with some affected animals returning to normal production levels while others are unable to return to significant production levels after recovery. In nearly all cases, the condition does not appear to be fatal.
- As the state's animal health commission works with USDA and local veterinarians to identify the cause of the condition, they are providing information to stakeholders as it comes available. Until that time, it is important to note that the apparent illness does seem to be isolated to the Texas panhandle region with no reported cases in the Northeast. However, it does speak to the need to practice biosecurity and be vigilant on all dairy farms as more information unfolds.
- USDA opened Dairy Margin Coverage (DMC) enrollment for the 2024 Program Year on February 28. Those farms that enroll early could potentially receive a payment on January milk now. The announced margin for January was \$8.48 per hundredweight, yielding an indemnity payment of \$1.02 for those producers enrolled at the \$9.50 threshold. Enrollment closes on April 29. To sign up for the program, call to schedule an appointment with your local FSA office.