



Dated March 27, 2024

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (March)	\$16.41/cwt.	▼ 0.2 %	▲ 0.2 %	▼ 9.8 %
Class IV Milk Price (March)	\$20.09/cwt.	▼ 0.1 %	▲ 1.0 %	▲ 9.0 %
Corn (March)	\$ 4.26/bushel	▼ 3.0 %	▲ 2.9 %	▼ 34.5 %
SBean Meal (March)	\$ 339.0/ton	▼ 1.8 %	▼ 2.4 %	▼ 26.0 %
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.*

- The latest USDA Cold Storage report shows cheese inventories up 1.7 percent from a year ago to 1.46 billion pounds in February 2024. American cheese stocks were up 2.9 percent from a year ago but down 7 percent from last month. Other type cheeses were up 1 percent from a year ago. Butter inventories were up 19 percent from last month and up 1 percent from a year ago to 295 million pounds in February.
- USDA announced April's Class I price last week, which is up 38 cents from last month to \$19.18 per hundredweight. It is the highest Class I price so far in 2024 and up 33 cents from a year ago.
- New Zealand is bucking the trend toward lower milk production, with the Oceania state posting a 1.9 percent increase from a year ago to 1.848 million metric tons in February. Component levels are up 2.8 percent from a year ago. February was the strongest production month so far, with New Zealand reporting a 0.2 percent decline for the season.
- Despite the significantly higher cull cow prices most farmers in the US are receiving in the marketplace right now, the latest USDA Livestock Slaughter report is showing a decline in the number of dairy cows heading to auction. About 503,000 head of dairy cows went to slaughter in January and February this year, down 61,400 head or about 11 percent from a year ago. The latest USDA Weekly Livestock Auction Report shows dairy cows bringing more than \$1 per pound on average, up about 20 cents per pound from a year ago.

Government and Industry:

- With concerns about the highly pathogenic avian influenza (HPAI) diagnosed in dairy herds in Kansas and Texas, it is uncertain whether the nation's herd size will continue to grow in 2024 or the slight increase in cow numbers from January to February will stall out in the coming months. The USDA has confirmed that HPAI causes no threat to human health of milk, with dairy products remaining safe to consume.
- Dairy farms are encouraged to practice enhanced biosecurity measures and remain vigilant in observing any clinical signs. Signs associated with HPAI could include a significant loss in appetite and rumination, or an acute drop in milk production. Any observation of those symptoms should be reported immediately to a veterinarian.
- While there are no cases reported in Pennsylvania at this time, the state continues to monitor the rapidly evolving health situation to prepare for any cases that might emerge. To help answer questions and provide more information, the Center is hosting a conference call for dairy producers and industry stakeholders on Wednesday, April 3 at 12 p.m. To join the call, dial 646-931-3860 and enter the meeting ID as 880 8063 9319 and the passcode as 588077.
- 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.

Happy Easter!