



CENTER FOR
Dairy EXCELLENCE
 Dairy Week In Review

Dated April 1, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Apr) **	\$15.45/cwt.	▼ 10.6 %	▼ 14.2 %	▼ 8.5 %
Com (May)	\$3.34/bushel	▼ 5.2 %	▼ 12.4 %	▼ 7.5 %
SBean Meal (May)	\$314.9/ton	▼ 4.3 %	▲ 3.6 %	▲ 1.7 %
Milk Margin (January)*	\$13.09/cwt.	—	▲ 5.1 %	▲ 21.9 %

**Each issue of "Dairy Week in Review" will report on current "Milk Margin," or the dollars remaining per one hundred lbs. of milk after feed is paid for, based on data for a 65-pound herd in the latest "PA Dairy Industry Performance Scorecard." 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 \$1.00, an estimate of what could be on your milk check next month.*

- The USDA Cold Storage Report showed higher stocks of butter at the end of February, with 302.2 million pounds in cold storage, the highest total for the month since 1993 and 55 million more than at the end of January. The month-to-month build-up was the largest for January to February since 1992. Cheese stocks were at 1.36 billion pounds, with stocks only up 0.5 percent since the end of January.
- Drastic declines in food service, restaurant and export sales have pushed milk back into the supply chain, leading to some processors having to dump milk despite increases in retail sales. Processors are also challenged with adjusting their operations to take precautions related to COVID-19, with more employees calling in sick and having to care for family members.

Government and Industry:

- President Trump signed into law a coronavirus relief package, which creates a \$9.5 billion coronavirus agricultural disaster fund that specifically includes livestock and dairy producers. The CARES ACT contains several provisions designed to help small and large businesses deal with the fallout of Covid-19. The bill also provides \$14 billion in additional funding for the Commodity Credit Corporation that USDA can use to assist producers.
- USDA issued guidance on March 25 that allows milk dumped at farms to be pooled on federal milk marketing orders (FMMOs) in coming months. USDA went even further, relaxing several other rules to deal with these extraordinary times by making it easier for market participants to pool milk on FMMOs.

COVID-19 Guidelines:

- The Center is hosting a dairy industry call to answer questions and provide information around how COVID-19 has impacted the dairy industry. Anyone can join. It is scheduled for Tuesday, April 7, from 12—1 p.m. Call information is 978-990-5000, Access Code 553371# to join the call.
- The Center has assembled a library of resources to help farmers navigate through the COVID-19 situation. To access the library, visit centerfordairyexcellence.org/covid-19-farm-resources/. Assistance with developing your farm's contingency plan is also available by calling Melissa Anderson at 717-636-0779.