

CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated April 7, 2021



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (April)	\$17.55/cwt.	▲ 6.3 %	▲ 6.7 %	▲ 25.0 %
Class IV Milk Price (April)	\$15.33/cwt.	▲ 7.2 %	▲ 7.3 %	▲ 34.3 %
Corn (May)	\$ 5.60/bushel	▲ 3.7 %	▼ 0.4 %	▲ 69.2 %
SBean Meal (May)	\$409.1/ton	▲ 2.7 %	▼ 2.4 %	▲ 39.3 %
Milk Margin (February)*	\$9.57/cwt.	—	▼ 4.87 %	▼ 21.56 %

**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."*

- USDA's Dairy Product report indicates February's butter production was the highest on record on an average-daily basis, up 2.2 percent from a year ago, when adjusted for Leap Year, to 185.6 million pounds. Production of both nonfat dry milk and skim milk powder jumped as well. With manufacturers producing a combined total of 215.9 million pounds of the two products, a 13.2 percent increase from a year ago, when adjusted for Leap Year. Total cheese output increased 4.7 percent to 1.043 billion pounds in February, a monthly record high. Production of American-style cheese rose 5.3 percent year over year, while Cheddar cheese was up 3.3 percent and Italian-style cheese production was up 2.7 percent.
- USDA announced the March Class III price at \$16.15 per hundredweight, up 40 cents from February but down 10 cents from a year ago. The Class IV milk price was announced at \$14.18 per cwt., up 99 cents from February but 69 cents behind a year-ago levels. Class III milk futures prices on the CME got a boost this week, with Class III prices for the remaining of 2021 averaging \$18.69 per cwt., as of April 7. Class IV prices have strengthened somewhat too, with the Class IV average price for the remainder of 2021 now at \$16.56 per cwt., as of April 7.
- The dairy price index on the latest Global Dairy Trade auction increased 0.3 percent this session to \$4,081 per metric ton, once again strengthening after falling last month for the first time since November 2020. The Cheddar cheese price was up 2.2 percent, while butter was up 2 percent and skim milk powder was up 0.6 percent. Whole milk powder prices remained flat.
- USDA released its Prospective Planting report for 2021, with farmers expecting to plant 91.1 million acres, up 1 percent from 2020, and 87.6 million acres of soybeans, up 5 percent from a year ago. The number of acres projected fell below industry expectations and sent corn and bean futures prices on the CME higher early in the week.

Government and Industry:

- The Center for Dairy Excellence is offering assistance in helping dairy farms develop a business plan. On Wednesday, April 21, from 1 – 3 p.m., the Center will partner with Penn State Extension to host a virtual Business Planning Roundtable Meeting. On Wednesday, April 28, Phil Taylor, a business consultant with AgChoice Farm Credit, will join the Center's Protecting Your Profits webinar to share business planning fundamentals. For more information about any of these opportunities, contact Zach Myers at 717-346-0849 or zmyers@centerfordairyexcellence.org.
- April 11 is the last day to register for the spring round of "Farm Spanish Basic" courses being offered by Katie Pyle. The Center is offering a \$100 discount to Pennsylvania farmers and farm employees interested in enrolling in the eight-week course, which will start on April 13. This round of courses will offer a beginner's level from 4:30—5:30 p.m. and an intermediate level from 6:00—7:00 p.m. from April 13 to June 3. To receive the discount, go to www.centerfordairyexcellence.org and click on "Farm Spanish Basics" under Upcoming Events.
- Farmers and farm employees are encouraged to sign up now to schedule a COVID vaccine, with those in 1b now eligible. To schedule your spot, contact your preferred healthcare provider or call 1-877-PA-HEALTH.