



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Apr) **	\$15.04/cwt.	▼ 2.7 %	▼ 13.3 %	▼ 11.4 %
Com (May)	\$3.31/bushel	▼ 0.9 %	▼ 12.9 %	▼ 8.4 %
SBean Meal (May)	\$293.8/ton	▼ 6.5 %	▼ 0.7 %	▼ 5.5 %
Milk Margin (February)*	\$12.93/cwt.	—	▼ 1.2 %	▲ 14.0 %

*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.

- Prior to COVID-19 becoming a worldwide pandemic, February marked six straight months of growth in dairy exports. US suppliers shipped 170,556 tons of dairy product overseas, up 3 percent from a year earlier. The total value of those exports was up 9 percent to \$529 million. On a total milk solids basis, US exports were equivalent to 14.6 percent of US milk solids production in February. With COVID-19 negatively affecting global demand, export volumes are expected to fall in the coming months.
- The dairy price index on the latest Global Dairy Trade auction was up 1.2 percent to \$2,969 per metric ton, following four sessions of consecutive losses. Butter prices were up 4.5 percent, while Cheddar cheese was up 0.2 percent. Whole milk powder prices were up 2.1 percent, while skim milk powder was down 0.8 percent.
- The USDA announced the March Class III milk price at \$16.25 per hundredweight, up \$1.21 from a year ago but down 75 cents from a month ago, down 84 cents from a year ago and \$1.33 below January’s price. The Class IV price was announced at \$14.87 per cwt. Class III milk future prices on the CME averaged \$14.19 for the next six months, as of April 8, with the May 2020 price dipping below \$12 per cwt. Class IV futures prices for the next six months averaged \$12.16 per cwt, with May and June both below \$12 per cwt.
- The USDA also announced the February national All-Milk price at \$18.90 per cwt., as part of its Ag Prices report. That generated a Dairy Margin Coverage margin of \$10.06 in February. Going forward, DMC margins for March through January 2021 are forecasted to be below the \$9.50 maximum margin to trigger a DMC Program indemnity.

Government and Industry:

- The National Milk Producers Federation (NMPF) and the International Dairy Foods Association (IDFA) sent a set of recommendations to the U.S. Department of Agriculture urging the Administration to take swift, comprehensive action to support the U.S. dairy industry through the COVID-19 crisis. The plan outlines how this disaster is affecting U.S. dairy from farm to fork and underscores the main challenge facing the industry, with supply currently exceeding demand by 10 percent. NMPF and IDFA urge USDA to use as many tools as possible – as quickly as possible – to bridge the supply and demand gap without creating any long-term market repercussions. To view their proposal, go to nmpf.org.

COVID-19 Resources:

- Due to the overwhelming response to the first call, the Center will host a second “COVID-19 and Dairy” Conference Call on Tuesday, April 14, from 12:30 p.m. - 1:30 p.m. This week’s call will address questions related to the government response to COVID-19 and programs for farmers, as well as the milk market’s response and the need for a farm contingency plan. Anyone can join the call. Call information is 978-990-5000, Access Code 553371# to participate. To submit questions, text or call 717-585-0766 or email zmyers@centerfordairyexcellence.org.
- 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.
- Processors and milk handlers are in need of disposal masks for their employees. If there are individuals within the dairy community who are willing to make cloth masks to provide to those in need, please contact the Center at 717-346-0849 or email Emily Barge at ebarge@centerfordairyexcellence.org. We will connect you with those who need them.