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**Dairy** EXCELLENCE  
**Dairy Week In Review**

Dated April 26, 2023



**Markets:**

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (April)	\$18.62/cwt.	▼ 0.2 %	▲ 3.3 %	▼ 23.2 %
Class IV Milk Price (April)	\$17.98/cwt.	—	▼ 2.4 %	▼ 28.1 %
Corn (May)	\$ 6.41/bushel	▼ 4.7 %	▲ 6.1 %	▼ 17.6 %
SBean Meal (May)	\$426.0/ton	▼ 6.2 %	▲ 0.6 %	▼ 3.6 %
DMC Margin (February)*	\$ 6.19/cwt.	—	▼ 22.1 %	▼ 43.7 %

*\*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.*

- Butter stocks were down 2.33 million pounds from a month ago to 292.7 million pounds on March 31, now just 3.5 percent above year-ago levels. Typically, butter stocks increase from February to March. Cheese inventories, though, grew as expected, according to the USDA Cold Storage Report. Total cheese inventories were up 13.5 million lbs. from February to 1.46 billion lbs. as of March 31, down 0.4 percent from a year ago. American cheese inventories were up 0.5 percent from a year ago to 832 million lbs., up 0.5 percent from a year ago and a six month high.
- Based on the most recent dairy product disappearance data (February 2023), demand for dairy products is positive, but not growing much. Butter disappearance experienced the greatest percentage growth compared to February 2022 at 13%. 164.4 million pounds of butter was sold during February. All the growth came from a 22.6-million-pound increase in domestic use as export usage decreased by 3.6 million pounds. Nonfat dry milk/skim milk powder (NDM/SMP) disappearance increased 8% to 175 million pounds because of 3.3-million-pound increase in domestic use that overwhelmed a 700,000 pounds drop in exports. Lastly, total cheese disappearance (American-style cheese plus other-style cheese) increased 301 million pounds (+3%) to 1.13 billion pounds. This is mainly because domestic and export usage of other-style cheeses offset flat to declining domestic and export disappearance of American-style cheeses.

**Government and Industry:**

- A recording of the latest Protecting Your Profits webinar and conference call is now available. For this month, Dr. Chris Wolf, E.V. Baker Professor of Agricultural Economics at Cornell University, shared an insightful conversation about where the nation is in the Federal Milk Market Order Reform process. The International Dairy Foods Association has submitted a formal request for updating the 'make allowances,' while the National Milk Producers Association is in the process of submitting a request for a more comprehensive reform package. Dr. Wolf helped the audience understand what the proposed changes could mean for the nation's dairy farmers. The recording is available both as a YouTube video or as a podcast. To access the podcast, go to Spotify or Amazon Music and search "Protecting Your Profits." To access the YouTube file or listen to the podcast from the website, go to: [centerfordairyexcellence.org/pyp/](http://centerfordairyexcellence.org/pyp/) or call 717-346-0849.
- At the state level this week, Pennsylvania Secretary of Agriculture Russell Redding presented a concrete strategy for reforming Pennsylvania's over-order premium. Under Redding's plan, retailers would collect the over-order premium on sales of fluid milk and send the money to the Department of Revenue, which would put it in a designated fund. The General Assembly would then allocate the money to farmers and processors. During the Senate hearing, Redding spoke along with several PA dairy producers, processors, and the PA Milk Marketing Board. In the next few months, ag committee leaders Sens. Elder Vogel, R-Beaver, and Judy Schwank, D-Berks, are considering legislation that will allow Pennsylvania to license distributors, collecting data about how much milk is sold in the state. Those numbers would inform a restructuring of the premium.