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Dairy EXCELLENCE
Dairy Week In Review

Dated April 27, 2022



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (April)	\$24.31/cwt.	▲ 0.2 %	▲ 8.4 %	▲ 37.1 %
Class IV Milk Price (April)	\$25.20/cwt.	▼ 0.1 %	▲ 1.4 %	▲ 62.5 %
Corn (May)	\$ 8.15/bushel	—	▲ 10.4 %	▲ 30.2 %
SBean Meal (May)	\$451.0/ton	▼ 4.4 %	▼ 4.7 %	▲ 13.2 %
DMC Margin (February)*	\$ 10.98/cwt.	—	▼ 4.9 %	▲ 83.9 %

*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.

- According to the latest USDA Cold Storage report, natural cheese stocks were down 0.7 percent from a year ago to 1.458 billion pounds in March, down 0.6 percent from February, marking the first time since 2011 that stocks fell from February to March. Still, this was the second largest March inventory ever reported. American cheese stocks were down 1.1 percent from February and 1.5 percent below March 2021. Other cheese stocks were up 0.1 percent to 613 million pounds. Butter stocks were up 20 million from February to 283 million pounds, growing faster than the five-year average February-to-March increase of 9.5 million. Still, butter stocks were down 21 percent from a year ago.
- Global milk production continues to decline, with New Zealand's milk production during the 21-22 milking season still down from a year ago. Milk solids totaled 381.5 million pounds, down 4 percent from a year ago but up 8 percent from February. Season-to-date milk solids produced are still down 3.8 percent from last season.
- February milk sales declined year-over-year, with higher retail prices seeming to have an impact. Whole milk sales were down 0.9 percent, while reduce-fat, low-fat, and skim milk sales were down 11.7 percent, 6.9 percent, and 6.9 percent, respectively. However, year-over-year flavored milk sales were up significantly, with whole milk sales up 9.5 percent and fat-reduced sales up nearly 34 percent. School milk sales of fat-reduced flavored may have played a role in that increase.
- According to the U.S. Dairy Export Council (USDEC), February U.S. export value set a February record reaching \$696.8 million, up 23 percent from a year ago. The total dairy export volume fell year-over-year for the third month in a row, reaching 175,602 milk solids equivalent metric tons (MT) which reflects a drop of just over 1 percent compared to February 2021. NDM/SMP exports declined by 8,200 MT (-12%) to 63,384 MT. Improvements in cheese, lactose, and butterfat exports of 9%, 15%, and 75%, respectively, nearly offset the reduction in NDM/SMP. Cheese exports of 32,953 MT represents a February cheese volume record.

Government and Industry:

- Penn State Extension Team will be hosting a "Women in Agriculture" Learning Series in June. The Women Rooted in Agriculture Series is a discussion group for women interested in learning more about their industry. Three workshops are scheduled in June. To learn more, search "Penn State Extension Women Rooted in Agriculture."
- With dairy futures markets continuing to show strength right now, right now may be a good time to consider using the Dairy Revenue Protection Program to protect your profits for the coming year. Dairy RP offers market-based price coverage for the next five quarters, which currently includes the third quarter of 2022 through the third quarter of 2023. The program allows you to put a floor under your milk price. To learn more, contact your crop insurance agent. If you want help in better understanding the program, contact Zach Myers at 717-346-0849.
- With the planting season coming into full swing, the Center for Dairy Excellence has farm safety signs available to remind family members and employees to be safe around equipment and livestock. To request a free set of farm safety signs that you can use on your dairy operation, visit www.centerfordairyexcellence.org/farm-safety or call us at 717-346-0849.
- Pennsylvania's agriculture industry has launched a Pennsylvania Agriculture Mentor Program, leveraging the SCORE (Service Core of Retired Executives) successful mentoring program to pair five mentors with extensive agriculture backgrounds with new and beginning farmers and agribusiness entrepreneurs. To learn more about the program, go to: pafarmink.org/mentor/ or call Farm Link at 717-705-2121.