



CENTER FOR  
**Dairy** EXCELLENCE  
**Dairy Week In Review**

Dated April 28, 2021



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (April)	\$17.63/cwt.	▼ 0.4 %	▲ 8.8 %	▲ 39.2 %
Class IV Milk Price (April)	\$15.52/cwt.	—	▲ 8.5 %	▲ 35.9 %
Corn (May)	\$ 7.13/bushel	▲ 13.8 %	▲ 32.0 %	▲ 237 %
SBean Meal (May)	\$425.7/ton	▲ 2.1 %	▲ 6.9 %	▲ 51.7 %
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 Cold Storage report has total cheese inventories at 1.466 billion pounds as of March 31, up 30 million pounds from the end of February. This is twice the average five-year build up of 16.3 billion pounds which is typical for February to March. Butter inventories were unchanged at 354.6 million pounds, which is also unusual. Typically, butter stocks rise an average of 10.5 million pounds from February to March.
- The USDA announced the May Class I milk price at \$17.10 per hundred-weight, up \$1.59 from April and up \$4.15 from a year ago. The May Class I price is the highest this year.
- USDA also released the latest Crop Progress Report, indicating that about 17 percent of the nation's corn crop is in the ground as of April 25, up 9 percent from a week ago but still about 3 percent behind year-ago levels. Soybean planting is on track, with about 8 percent of the crop in the ground, up 5 percent from a week ago and on track with last year's planting progress.

## Government and Industry:

- The National Milk Producers Federation (NMPF) Board of Directors voted to formally request for the USDA to hold an emergency hearing to modify the current Class I price formula. USDA will have 30 days to respond to NMPF's request which would either allow the hearing process to proceed or deny the request. In determining the Class I price, the current formula adds \$0.74 per cwt to the average price of Class III and IV. NMPF's proposed change would modify the current system by keeping the average price of Class III and IV and then adjusting the \$0.74 up or down every two years based on market conditions during the previous two years. According to NMPF, in the short-term, the revised formula would help dairy farmers recoup some of the estimated \$725 million loss of revenue caused by the current pricing system and disorderly market conditions. In the long-term, the proposed change would help ensure that neither farmers nor processors are disproportionately impacted by future market disruptions.
- 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.