



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated April 29, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (May) **	\$12.66/cwt.	▼ 12.4 %	▼ 18.1 %	▼ 25.9 %
Corn (May)	\$3.00/bushel	▼ 5.1 %	▼ 10.2 %	▼ 15.1 %
SBean Meal (May)	\$280.9/ton	▼ 2.5 %	▼ 10.8 %	▼ 4.8 %
Milk Margin (March)*	\$12.03/cwt.	—	▼ 6.9 %	▲ 5.6 %

**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.*

- According to the latest USDA Cold Storage report, butter stocks were up 7.7 million pounds from Feb. 29 to 309.6 million pounds on March 31, the largest amount for March since 1993 and up 15 percent from a year ago. However, the month-to-month build was not as large as expected and less than what is typical for February to March. Total natural cheese stocks were up 11.3 million pounds from February to 1.373 billion pounds, with the build up slightly below the five-year average build up from Feb. to March of 14.3 million pounds. Year over year, total cheese stocks fell 1 percent.
- New Zealand's season-to-date milk production trails last year by almost 1%, while Australia's milk collections are down 2% from year-ago levels. Extremely dry weather in the Oceania region is causing the decline, with conditions markedly drier than average.

Government and Industry:

- The Coronavirus Food Assistance Program (CFAP) will purchase \$100 million worth of dairy products each month for six months. Last week, USDA put out solicitations for processed cheese, shredded cheese, butter, and milk. These and other dairy products will be distributed to food banks. This is in addition to the \$2.9 billion in direct payments to dairy farms allotted in the CFAP, with more details regarding how those direct payments will be distributed expected soon.

COVID-19 Resources:

- 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.
- The Center will host a fourth dairy industry conference call on Thursday, May 7 for 12 - 1 p.m. Join the call by dialing 987-990-5000 and entering Access Code 553371#. Please submit questions prior to next Thursday's call by calling or texting 717-585-0766. Recordings of past calls are available for play back by dialing 978-990-5099 and using the Access Code: 553371#. For the first call, use reference number 2#, for the second use 3# and for the third use 4#.