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



Dated May 2, 2019

## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (May) **	\$17.08/cwt.	▲ 1.0 %	▲ 1.2 %	▲ 5.2 %
Corn (May)	\$3.53/bushel	▼ 1.4 %	▼ 2.3 %	▼ 10.9 %
SBean Meal (May)	\$294.8/ton	▼ 3.2 %	▼ 4.9 %	▼ 26.3 %
Milk Margin (March)*	\$11.90/cwt.	—	▲ 4.9 %	▲ 20.1 %

\*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.

- USDA announced the Class III milk price for April at \$15.96 per hundredweight, up 92 cents from March and \$1.49 per hundredweight higher than a year ago. The May Class IV milk price was announced at \$15.72 per hundredweight, up 1 cent from last month and \$2.24 above last May.
- The latest USDA Agricultural Prices report has the US milk-over-feed margin up 64 cents over February to \$8.84 per hundredweight, up \$2.09 from a year ago. This is the largest margin since October. The All-milk price was announced at \$17.50 per hundredweight, up 70 cents from February and \$1.80 above a year ago. Corn prices were up 10 cents, while soybean meal prices fell 45 cents and alfalfa prices increased \$4 per ton.
- According to the USDA Crop Progress report, only 15 percent of the corn crop was planted as of April 28, down significantly from the five-year average of 27 percent. With more heavy rains expected to fall across the Corn Belt this week, concerns continue to mount regarding the ability to get crops planted in a timely manner. About 4 percent of the corn crop is planted in Pennsylvania, up slightly from 2018 but down from the 5-year average of 8 percent.
- Milk production in the European Union is up slightly in February, topping year-ago levels and totaling 26.7 billion pounds. This was the first increase since August 2018.

## Government and Industry:

- The USDA has announced a new web-based tool available to help dairy producers evaluate participation in the new Dairy Margin Coverage program. The University of Wisconsin launched the decision support tool in cooperation with FSA. The tool is designed to help producers determine the level of coverage under a variety of conditions that will provide them with the strongest financial safety net. Sign ups for the new program will begin June 17, with payments expected for January—March based on announced margin levels.
- Dairy Revenue Protection (Dairy R-P) coverage for the last half of 2019 and first three quarters in 2020 is now available from authorized crop insurance agents. Farms can choose to cover any of the five upcoming quarterly (three month) periods, but they must enroll first. The program allows you to put a floor under your milk price, and you can choose to price your milk either based on your Class utilization or on your components. To learn more, contact your crop insurance agent. A list of crop insurance agents is available at all USDA service centers and on the RMA website at [www.rma.usda.gov/tools/agent.html](http://www.rma.usda.gov/tools/agent.html).
- Pennsylvania Dairymen Association Executive Director David Smith and others participated in a hearing this week held by the House Agriculture Subcommittee on Livestock and Foreign Agriculture to review the current challenges facing the dairy industry. In his comments, Smith discussed getting whole milk back in schools, having dairy-friendly trade policy and combating misleading fake milks in the marketplace. Representatives from across the country testified at the hearing.
- The Dairy Decisions Consultant Program remains open and available to those farms who want assistance in making those critical decisions affecting the future of their farm. Once accepted into the program, farms can receive up to \$3,500 in funds to work with a DDC. Call 717-346-0849 to learn more or visit [centerfordairyexcellence.org](http://centerfordairyexcellence.org).
- The Center will host its final Dairy Professional Roundtable Meeting in Lancaster on Friday, May 10, from 7:30 a.m.—10 a.m. The meeting will focus on new risk management programs, understanding cost of production and an industry discussion. Call 717-346-0849 to register.