



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

Dated May 13, 2020



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (May) **	\$12.73/cwt.	▲ 1.8 %	▼ 13.4 %	▼ 26.3 %
Corn (May)	\$3.23/bushel	▲ 3.9 %	▲ 1.3 %	▼ 12.5 %
SBean Meal (May)	\$288.6/ton	▲ 1.9 %	▼ 1.3 %	▼ 3.5 %
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.

- Recent IRI data showed retail sales of dairy products have increased since COVID-19 restrictions across the country were put into place. Fluid milk sales, which have been in a decades-long decline, were up 15 percent and 11 percent, respectively, year-over-year in March and April. Cheese, butter, and ice cream have also seen tremendous growth versus last year. Retail cheese sales were up an average of 32 percent, while ice cream was up 20 percent, and butter was up 55 percent for March and April. Unfortunately, this has not been enough to offset lost sales to food service outlets.
- The dairy price index fell 0.8 percent on the latest Global Dairy Trade auction to an average price of \$2,866 per metric ton. Butter prices were down 5.8 percent, while Cheddar cheese prices fell 6.8 percent. Skim milk and whole milk powder prices were both up 0.1 percent.

## Government and Industry:

- USDA announced last week that from May 15 to June 30 it will spend \$317 million on dairy products and \$175 million for boxes that will include dairy, meat, and produce. This initial round of spending was far higher than USDA's previous projections that it would purchase roughly \$100 million in dairy products per month. The USDA is also expected to soon release rules and the signup process for the \$16 billion in direct payments that were authorized by the previous coronavirus stimulus bill.
- The Small Business Association (SBA) began accepting new Economic Injury Disaster Loan (EIDL) and EIDL Advance applications this past Monday on a limited basis only. They are reopening the portal only to agricultural businesses, which includes dairy producers, in order to provide unprecedented relief to U.S. agricultural businesses. The application is available at [www.SBA.gov/Disaster](http://www.SBA.gov/Disaster).

## 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/](http://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 fifth industry call on Tuesday, May 26, from 12:30 - 1:30 p.m. 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#, for the third use 4# and for the fourth one held last week use #6.