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Dairy EXCELLENCE
Dairy Week In Review

Dated May 17, 2023



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (May)	\$16.19/cwt.	▼ 2.3 %	▼ 13.2 %	▼ 35.2 %
Class IV Milk Price (May)	\$18.10/cwt.	▲ 0.6 %	▲ 0.6 %	▼ 27.4 %
Corn (July)	\$ 5.61/bushel	▼ 13.4 %	▼ 16.2 %	▼ 18.2 %
SBean Meal (July)	\$425.3/ton	▲ 2.5 %	▼ 6.4 %	▲ 2.6 %
DMC Margin (March)*	\$ 6.08/cwt.	—	▼ 1.8 %	▼ 47.8 %

**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.*

- USDA is forecasting the highest ever global corn crop in 2023-24, according to the latest USDA World Agricultural Supply & Demand Estimates report. Global corn production is estimated at 1.22 billion metric tons, 6 percent higher than last year and a record high resulting from expanding acreage and higher yields. USDA is also projecting the global soybean crop to increase, with global soybean production estimated at 410.59 metric ton, up 10.8 percent from 2022-23.
- The report is estimating global milk production to be higher in 2024 than in 2023, driven primarily through gains in milk per cow. Both Class III and Class IV milk prices are forecast to be lower, with the 2024 all-milk price forecast at \$19.90 per cwt. and the 2023 all-milk price forecast at \$20.50 per cwt. Both are well below the 2024 average all-milk price of \$25.56.
- The price index on the latest Global Dairy Trade auction fell 0.9 percent to \$3,488, marking the first decline in three sessions. Dairy product prices were split, with butter and whole milk powder prices both up, increasing 2.2 and 0.3 percent, respectively. Cheddar and skim milk powder prices were both down, falling 3.4 and 1.6 percent, respectively.
- USDA announced the June Base Class I milk price at \$18.01 per hundred-weight, down \$1.56 from May and \$7.86 below the Class I price from a year ago. This is the lowest Class I milk price since November 2021.
- Each November, the U.S. Bureau of Labor Statistics (BLS) releases its annual report of workplace accidents and fatalities. For several years in a row, the category of agriculture, forestry and fishing is a top contender for having the most dangerous jobs in the US. Since these jobs only account for approximately two percent of total jobs in the nation, there are not as many total injuries recorded, but the incident rate of injuries is tied for the highest rate at 4.6 injuries per 100 full-time equivalent (FTE) workers among private industry occupations. Of the 5,190 fatal injuries, 218 were in this subcategory, and 133 (61%) of those occurred in agriculture-related accidents. With the busy spring season now in full swing, it's important that both farm managers and employees keep safety top of mind so you don't become part of these statistics.

Government & Industry:

- The National Milk Producers Federation, the U.S. Dairy Export Council, the Federation of Rural Associations of Mercosur, and the Pan American Dairy Federation collaborated to work with their governments on 11 principles to sustain trade while improving sustainability and reducing environmental footprint. The agreement focuses on immediate proven solutions that could mitigate climate change in an efficient and economically viable manner.
- Congressional members introduced the Safeguarding American Value-Added Exports (SAVE) Act in both the House and Senate this week to promote the protection of common names in the 2023 Farm Bill. The proposed language would amend the Agricultural Trade Act of 1978 to define "common names" and direct the Secretary of Agriculture to coordinate with the U.S. Trade Representative to proactively defend the right to use common names for agricultural commodities or food products in international markets.