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

Dated May 18, 2022



**Markets:**

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (May)	\$24.98/cwt.	▲ 0.4 %	▲ 2.9 %	▲ 31.9 %
Class IV Milk Price (May)	\$24.90/cwt.	▲ 1.3 %	▼ 1.7 %	▲ 53.2 %
Corn (May)	\$ 7.81/bushel	▼ 2.7 %	▼ 4.2 %	▲ 18.7 %
SBean Meal (May)	\$414.0/ton	▲ 2.0 %	▼ 2.3 %	▲ 2.6 %
DMC Margin (March)*	\$ 11.55/cwt.	—	▲ 5.2 %	▲ 84.5 %

\*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.

- US milk production is down 1 percent from a year ago to 19.15 million pounds, with 98,000 fewer cows. Milk production per cow was flat from a year ago. California's milk production was down 0.6 percent, while Wisconsin's was down 0.1 percent. Idaho was flat from a year ago, while New York was down 0.8 percent. Texas was the only state in the top eight milk producing states with an increase in milk production, up 4.7 percent from a year ago. Michigan fell 3.4 percent, while Minnesota was down 1.4 percent. Pennsylvania's milk production was down 2.2 percent to 855 million pounds, with 7,000 fewer cows and 10 pounds less milk than a year ago. US milk production has fallen year over year in every month of 2022.
- The Consumer Price Index (CPI) was up 0.3 percent from March to April, marking the slowest month-to-month increase since August 2021. On an annual basis, the CPI was up 8.1 percent from a year ago in April. Unemployment rates remain flat at 3.6 percent in April.
- The USDA released the first World Agricultural Supply and Demand Estimates report for the 2022-23 crop year. US corn production is expected to fall 4.3 percent from a year ago to 14.5 billion bushels, due to the slow start to planting. Ending stocks are estimated at 1.36 billion pounds, 5.6 percent lower than old-crop ending stocks. USDA is predicting record-high soybean production at 4.64 billion bushels, up 5 percent from a year ago. Winter wheat projections are at historical lows. The USDA also projects that 30 percent of Ukraine's farmland will go unplanted this year, due to the Russian invasion of Ukraine. The lower production forecasted for the US coupled with the expected decreased production in Ukraine could weigh heavily on feed pricing forecasts into this fall.
- Butterfat across the globe, including the U.S., has been in short supply causing butter prices to inflate. It seems that price points have been reached that are causing consumers and food service establishments here in the U.S. to reduce butter purchases. According to the USDA, average retail butter price for the week ending April 29 was an all-time high at \$4.30 per pound, \$4.11 per pound two weeks ago and \$3.95 per pound the week ending May 13. This is about \$1 more per pound compared to the same period in 2021.

**Government and Industry:**

- With dairy futures markets continuing to show strength right now, right now may be a good time to consider using the Dairy Revenue Protection Program to protect your profits for the coming year. Dairy RP offers market-based price coverage for the next five quarters, which currently includes the third quarter of 2022 through the third quarter of 2023. The program allows you to put a floor under your milk price. To learn more, contact your crop insurance agent. If you want help in better understanding the program, contact Zach Myers at 717-346-0849.
- With the planting season coming into full swing, the Center for Dairy Excellence has farm safety signs available to remind family members and employees to be safe around equipment and livestock. To request a free set of farm safety signs that you can use on your dairy operation, visit [www.centerfordairyexcellence.org/farm-safety](http://www.centerfordairyexcellence.org/farm-safety) or call us at 717-346-0849.