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

Dated May 25, 2022



**Markets:**

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (May)	\$25.08/cwt.	▲ 0.4 %	▲ 3.2 %	▲ 32.1 %
Class IV Milk Price (May)	\$25.02/cwt.	▲ 0.4 %	▼ 0.8 %	▲ 53.2 %
Corn (July)	\$ 7.71/bushel	▼ 1.3 %	▼ 5.4 %	▲ 23.6 %
SBean Meal (July)	\$426.6/ton	▲ 3.0 %	▼ 5.6 %	▲ 5.7 %
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.

- Both total cheese stocks and butter stocks were up from a month ago in April, according to the latest USDA Cold Storage Report. Total natural cheese stocks on April 30 were 1.4807 billion pounds, up 1 percent from March and 2 percent from a year ago. Total cheese stocks set a new record high for cheese inventories. American cheese stocks were up 3 percent from a year ago, hitting a new record, while other cheese stocks were up 3 percent. Butter stocks were up 6 percent from last month but fell 23 percent from a year ago to 299.6 million pounds. The increase in butter stocks from March to April was only about half of the five-year average increase of about 33.2 million pounds.
- The dairy price index on the Global Dairy Trade Auction was down 2.9 percent to \$4,432 per metric ton, marking the fifth consecutive session-to-session decrease in the dairy price index. Butter prices were down 1 percent, while the Cheddar cheese price was almost flat at -0.1 percent. Skim milk powder was down 0.6 percent, while whole milk powder suffered the greatest decline at 4.9 percent.
- USDA announced the June Class I base price at \$25.87 per cwt, up 42 cents from May and \$7.58 above year-ago levels. It is the highest Class I milk price since the Class I formula was changed with the 2018 Farm Bill.

**Government and Industry:**

- The US has initiated a second US-Mexico-Canada Agreement dispute panel concerning Canada's ongoing refusal to meet its USMCA dairy trade agreements. The first panel launched by the US government determined in January that Canada was in violation of the agreement's dairy tariff-rate quota (TRQ) provisions. On May 16, Canada published as final its revised USMCA dairy TRQ approach, which failed to fix its USMCA-violating practices. To address the additional problems and defend the integrity of the agreement, the US Trade Representative's Office has brought an additional case. Both National Milk Producers Federation and the US Dairy Export Council have applauded these efforts.
- Zach Myers, the center's dairy risk education program manager, hosted his monthly Protecting Your Profit webinar to share market updates and factors shaping milk pricing right now. To access the recording, go to: [www.centerfordairyexcellence.org/pyp/](http://www.centerfordairyexcellence.org/pyp/).
- 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. To learn more, contact your crop insurance agent. If you want help in better understanding the program, contact Zach Myers at 717-346-0849.