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Dairy EXCELLENCE
Dairy Week In Review

Dated May 26, 2021



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (May)	\$18.98/cwt.	▲ 0.2 %	▲ 7.7 %	▲ 43.8 %
Class IV Milk Price (May)	\$16.33/cwt.	▲ 0.5 %	▲ 5.2 %	▲ 59.6 %
Corn (July)	\$ 6.24/bushel	▼ 5.2 %	▼ 12.5 %	▲ 95.6 %
SBean Meal (July)	\$403.5/ton	▼ 5.0 %	▼ 5.3 %	▲ 37.2 %
Milk Margin (March)*	\$9.24/cwt.	—	▲ 13.37 %	▼ 17.79 %

**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."*

- The latest USDA Report has total US milk production up 3.3 percent from a year ago to 19.3 billion pounds in April. Milk production per cow increased 40 pounds for the month, or about 2 percent, while cow numbers have expanded by 113,000 head in the past year to reach 9.49 million head, putting the nation's dairy herd at its largest since 1994.
- Although many states posted modest gains in milk production, much of the growth in cow numbers came from five states – Texas and Colorado in the Southwest, along with Minnesota, Wisconsin, and South Dakota in the Midwest. These five states added a combined total of 89,000 head in the past year. Pennsylvania's total milk production was down 1 percent from a year ago, with 10,000 fewer cows but 20 pounds more milk per cow. New York was up 2.2 percent, with cow numbers flat but its milk production per cow was up 45 pounds from 2020.
- USDA's latest Cold Storage report shows total cheese stocks falling 1.7 percent to 1.45 billion pounds in April, with American cheese stocks falling 0.4 percent and other cheese stocks falling 2.8 percent. Butter stocks, however, are still building, up 3.4 percent from a year ago to 385 million pounds, the highest April inventory since 1993.
- According to the USDA, as of the week ending May 23, 77% of the corn across the Commonwealth is planted with 29% of that emerged. 77% is well ahead of the five-year average of 54%, with 29% emerged in line with the 27% five-year average. The top 18 states plant 92% of the nation's corn acreage and these states, on average, have 90% of their corn acreage planted, 10 percentage points ahead of the five-year average. 64% of the corn in the top 18 states has emerged, 10 percentage points more than the five-year average.

Government and Industry:

- With Class III and Class IV milk futures prices strengthening, now may be a good time to look into the Dairy Revenue Protection Program. It offers market-based price coverage for the next five quarters, which currently includes the third quarter of 2021 through the third quarter of 2022. The program allows you to put a floor under your milk price. To learn more, contact your crop insurance agent. A list of agents is available on the RMA website at www.rma.usda.gov/tools/agent.html. If you want help in better understanding the program, contact Zach Myers at 717-346-0849.