



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated June 24, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (June) **	\$21.01/cwt.	▲ 2.0 %	▲ 59.2 %	▲ 21.3 %
Com (July)	\$3.25/bushel	▼ 1.3 %	▲ 1.8 %	▼ 26.7 %
SBean Meal (July)	\$286.8/ton	▼ 0.4 %	▲ 1.2 %	▼ 8.5 %
Milk Margin (April)*	\$ 7.61/cwt.	—	▼ 32.30%	▼ 32.11%

*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.

- Total milk production in the US fell 1 percent year-over-year to 18 billion pounds in May. Production per cow dropped 32 pounds per cow, while cow numbers were down 50,000 head from a year ago and 12,000 head from April. California's milk production was down 1.5 percent, while Wisconsin fell 3.1 percent. Both Idaho and Texas still posted increases, up 4.8 and 1.9 percent, respectively. New York, Michigan and Pennsylvania were all down, falling 3.7, 0.4 and 3.0 percent, respectively. Pennsylvania had 10,000 fewer cows and 20 pounds less milk per cow than a year ago.

Government and Industry:

- So far, 1,525 of Pennsylvania's 5,700 dairy farm operations have applied to receive dairy payments through the Coronavirus Food Assistance Program, with more than \$49.8 million distributed to these dairy farms. In total, dairy related payments made to farms across the US through CFAP have reached \$895 million, which is about 31 percent of the total \$2.9 billion in support allocated for dairy, with 15,222 farms across the US applying for the assistance.
- For those who haven't signed up, you can do so online through the USDA website at www.farmers.gov/cfap. About \$6.20 per hundredweight is available on the first quarter 2020 milk production, in addition to support allocated for cull cows, bull calves and feed inventories. Download the Payment Calculator to estimate your payments and populate the application form. You can then print out the form, sign it, and mail, fax, or email a scanned copy back to your local FSA Office. To sign up through the office, call your local FSA Office. Phone appointments are available.
- With strength in the milk markets, the Dairy Revenue Protection Program offers market-based price coverage for the next five quarters, from the third quarter of 2020 through the third quarter of 2021. To learn more, contact your crop insurance agent. A list of agents is available on the RMA website at rma.usda.gov/tools/agent.html. The Center will host a Risk Management 101 Webinar on Wednesday, July 1, at 12 p.m. Learn more by calling 717-346-0849 or emailing Zach Myers at zmyers@centerfordairyexcellence.org.
- The Commonwealth of Pennsylvania has announced that \$40 million in CARES Act funding is available to address dairy relief and food security. Specifically, \$15 million of the \$40 million in support will provide assistance to farms experiencing losses associated with discarded milk related to the COVID-19 pandemic. Farms that have a documented loss can apply for a minimum of \$1,500 in assistance and an additional prorated share of the remaining funds, not to exceed the actual amount assessed by the handler. For an application, go to agriculture.pa.gov/COVID.
- The Center for Dairy Excellence will host a Dairy Industry Call on Tuesday, June 30, from 12 - 1 p.m. to discuss the Dairy Indemnity Program. Join the call by dialing 987-990-5000 and entering Access Code 553371#. Submit questions by calling or texting 717-585-0766.