



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated June 29, 2021



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (June)	\$17.19/cwt.	▼ 0.7 %	▼ 9.5 %	▼ 19.6 %
Class IV Milk Price (June)	\$16.39/cwt.	▼ 0.4 %	▲ 0.3 %	▲ 13.8 %
Corn (July)	\$ 6.94/bushel	▲ 6.4 %	▲ 11.2 %	▲ 204 %
SBean Meal (July)	\$348.8/ton	▼ 4.0 %	▼ 13.6 %	▲ 22.2 %
Milk Margin (April)*	\$10.35/cwt.	—	▲ 12.01 %	▲ 16.69 %

**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."*

- USDA's most recent Ag Prices report has the May All Milk Price up 80 cents from last month to \$19.20 per hundredweight. A 60-cent increase in the corn price coupled with increases in both blended alfalfa hay and soybean meal prices drove up final feed prices to \$12, 31 per cwt, an 85-cent increase from a month ago. The higher feed cost offset the higher All-Milk Price to yield a Milk Margin of \$6.89 per cwt. That means that producers with margin coverage through the USDA Dairy Margin Coverage Program of above \$7 should receive a payment within the few weeks.

Government and Industry:

- A worldwide report conducted by researchers from the Global Dairy Platform shows that worldwide, dairy cows provide economic sustenance to about 600 million people living on more than 130 million dairy farms, and an additional 400 million people derive their livelihoods from dairy. More than 1 out of 8 people rely on dairy cows for a living. Dairy cows, excluding the meat they provide, account for 5% of the world's calories available for consumption. On the climate side, agriculture accounts for 24% of greenhouse gas (GHG) emissions globally, with dairy representing only 2.7%. In the United States, all of agriculture contributes only 9%, and all of animal agriculture only 3.9%, according to the report.
- Last week the US Senate passed the bi-partisan Growing Climate Solutions Act, which will enable USDA to informally endorse technical service providers that help farmers implement stewardship practices that can generate carbon and other environmental credits. The Growing Climate Solutions Act will also help more farmers to participate in environmental market.
- Several bills passed through the Pennsylvania General Assembly this week that will affect Pennsylvania dairy farmers. Senate Bill 434 allows exemptions to PA's milk sell date law to line up with national standards, making PA milk more competitive on the US market. House Bill 101 seeks to protect farmers engaging in agritourism or agri-entertainment activities from unnecessary lawsuits. These and other ag-related bills are awaiting the Governor's signature.
- The Center hosted a Protecting Your Profits Webinar this week that offered strategies for managing the higher feed costs that are occurring right now. To listen to a recording of the webinar, go to www.centerfordairyexcellence.org/markets-management/protecting-your-profits/.