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**Dairy**EXCELLENCE  
**Dairy Week In Review**  
Dated July 7, 2021



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (July)	\$16.76/cwt.	▼ 2.3 %	▼ 1.9 %	▼ 29.2 %
Class IV Milk Price (June)	\$16.13/cwt.	▼ 1.6 %	▼ 2.2 %	▲ 13.0 %
Corn (July)	\$ 6.58/bushel	▼ 5.2 %	▼ 3.3 %	▲ 190 %
SBean Meal (July)	\$355.0/ton	▲ 1.7 %	▼ 9.0 %	▲ 21.5 %
<b>Milk Margin (May)*</b>	<b>\$11.43/cwt.</b>	—	<b>▲ 10.43 %</b>	<b>▲ 68.34 %</b>

*\*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 US Dairy Products Report shows total cheese output up 5 percent from a year ago and up 1.8 percent from last month to 1.16 billion pounds in May. American-type cheeses were up 7.2 percent from a year ago, while Italian-type cheeses were down 0.2 percent. Butter production was up 7.6 percent from a year ago to 185 million pounds, up 0.9 percent from last month. This was the most butter manufactured for the month of May since 1943. Combined production of nonfat dry milk and skim milk powder were up 12.7 percent from a year ago to a total of 241 million pounds. Despite the increase in powder production, manufacturer's stocks of nonfat dry milk increased only 2.7 percent from a year ago to 347.8 million pounds at the end of May.
- Total US dairy export volumes were up 12.4 percent year-over-year in May to 24,056 metric tons, with the value of dairy products shipped overseas in May up 18 percent from a year ago. Ingredients drove the increase in exports, with skim milk and nonfat milk powder products up 11.5 percent and dried whey products up 28 percent. Cheese exports were down 12.7 percent from a year ago, while butterfat exports were up 152.7 percent. Year to date through May, butter exports are up nearly 170 percent from a year ago, with nearly 43.7 million pounds of butter exported overseas. That is the most butter exported within the first five months of the year since 2014. A weaker dollar combined with lower butter prices helped to drive the overseas sales.
- The dairy price index on the latest Global Dairy Trade auction was down 3.6 percent from the last session to \$3,924 per metric ton. The butter price fell 3.2 percent, while Cheddar cheese prices were down 9.2 percent and butter milk powder prices fell 9.8 percent. Skim milk powder and whole milk powder prices were both down, as well, falling 7 and 3 percent, respectively. This is the sixth consecutive auction-to-auction decrease in the dairy price index.
- USDA announced the June Class III milk price at \$17.21 per hundred-weight, down \$1.75 from May and \$3.75 below last year's price. The Class IV price was announced at \$16.35 per cwt., up 19 cents from May and \$3.45 above year-ago levels.
- Despite higher feed prices weighing on producer margins, dairy cow slaughter levels remain below last year. The latest USDA Livestock Slaughter report shows 223,400 head of dairy cows sent to slaughter in May, down 4.3 percent from a year ago and 13.3 percent below April. Year to date, 1,365,600 dairy cows were sent to slaughter, down roughly 40,000 head or 3 percent from a year ago.

## Government and Industry:

- A report from the House Committee on Appropriations "encourages the FDA to provide clarity around the labeling of plant-based foods that use traditional meat, dairy, and egg terminology, especially as it relates to such product labels with clear and conspicuous descriptors such plant-based, veggie, vegetarian, or vegan." The report accompanied a bill making appropriations for the USDA, FDA, Rural Development, and related agencies for fiscal year 2022.