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Dairy EXCELLENCE
Dairy Week In Review



Dated July 25, 2019

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (July) **	\$17.41/cwt.	▲ 0.5 %	▲ 0.5 %	▲ 14.7 %
Corn (Sept)	\$4.24/bushel	▼ 2.8 %	▼ 4.3 %	▲ 18.1 %
SBean Meal (Sept)	\$306.3/ton	▼ 0.4 %	▼ 2.3 %	▼ 7.2 %
Milk Margin (May)*	\$12.80/cwt.	—	▲ 7.8 %	▲ 12.8 %

**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. ** The milk price reported is the Class III futures price for the next month plus a basis of \$1.00, an estimate of what could be on your milk check next month.*

- Total milk production in the US fell 0.3 percent year-over-year to 18.23 million pounds in June. Cow numbers fell 91,000 head, or 1.0 percent, from a year ago to 9.323 million head, falling 10,000 head from May. Milk production per cow was up 0.6 percent to 1,955 pounds per cow. Total milk production for the first half of the year was flat at about 110 million pounds.
- California's total milk production was up 1.2 percent, while Wisconsin was down 0.5 percent. Idaho was up 2.0 percent, while New York was up 0.2 percent. Texas continued its strong growth, up 5.6 percent, while Michigan was up 2.2 percent.
- Pennsylvania was down 6.5 percent, posting the largest decrease in milk production of all 24 reported states. Pennsylvania's milk production per cow was down 10 pounds, while total cow numbers in the Keystone State fell 31,000 head from a year ago to 490,000 head.
- USDA's Cold Storage report indicated total US cheese stocks are falling, down 0.1 percent from a year ago and from last month to 1.019 billion lbs. American cheese stocks were flat. Butter stocks were up 4 percent from last month, but down 3 percent from a year ago, to 316.4 million lbs.
- USDA's Cattle report shows both US milk cow and heifer replacement inventories declining. As of July 1, milk cow replacements fell 2.4 percent to 4.1 million heifers, compared to 4.2 million heifers a year ago.

Government and Industry:

- Penn State Extension held the first of three workshops in the "On-Farm Dairy Series" this week. The series provides an opportunity to learn from dairy enterprises that have made improvements based on sound business and facility planning. Remaining dates and locations include July 31 on new dairy systems at in Lebanon; and August 7 on new milking systems in Shippensburg. Details are available under "Upcoming Events" at centerfordairyexcellence.org.
- Dairy farmers are encouraged to visit their local FSA Office to sign up for the Dairy Margin Coverage Program. Milk production will retroactively be covered starting January 1, 2019. DMC margins for the first five months of the year are 7.71, 7.91, 8.66, 8.82 and 9.00 per hundredweight, with the \$9.50 coverage level yielding a payment in all five months.