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Dairy EXCELLENCE
 Dairy Week In Review

Dated July 26, 2023



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (July)	\$13.78/cwt.	▼ 0.5 %	▼ 7.6 %	▼ 38.8 %
Class IV Milk Price (July)	\$18.30/cwt.	▲ 2.7 %	▲ 0.2 %	▼ 29.3 %
Corn (September)	\$ 5.40/bushel	▼ 1.0 %	▼ 8.7 %	▼ 10.0 %
SBean Meal (August)	\$464.7/ton	▲ 4.7 %	▲ 15.7 %	▼ 5.0 %
DMC Margin (May)*	\$ 4.83/cwt.	—	▼ 17.3 %	▼ 61.0 %

*Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.

- Total US milk production was down 0.1 percent in May, according to the latest USDA Milk Production Report, with 5,000 fewer head of dairy cows and 1 pound more milk per day. California's milk production was down 1.2 percent, while Wisconsin's was up 1 percent. Idaho and New York were both up in milk production, increasing 1.9 and 3.4 percent, respectively. Texas' milk production was down 5 percent, with 13,000 fewer cows. Michigan and Minnesota both posted increases in milk production, up 3.2 and 1.6 percent, respectively. Pennsylvania's milk production was down 1.1 percent, with 1,000 fewer head of cows and 15 pounds less milk per cow from a year ago. May was the fifth month in a row where Pennsylvania cow numbers remained flat.
- Total cheese stocks were up 0.8 percent from a year ago, or the equivalent of 12.6 million pounds, to 1.51 billion pounds, up 0.3 percent from a year ago. Other cheese stocks grew by 2.9 percent, while American cheeses fell 0.4 percent from a month ago to 853.32 million pounds. Butter stocks declined more than expected, falling 5.5 percent from a month ago, or 20.4 million pounds, to 347.495 million pounds. Butter inventories were still 5 percent higher than year-ago levels, according to the latest USDA Cold Storage Report.
- USDA's biannual Cattle report shows heifer replacement numbers falling, as of July 1, down 100,000 head, or 3 percent, from a year ago to 3.65 million head. USDA's estimate of dairy heifer supplies on January 1 shows dairy heifer levels dropping for seven consecutive years.

Industry:

- USDA's Agricultural Marketing Service announced it will hold public hearings on proposals to amend the 11 Federal Milk Marketing Order pricing formulas. The first hearing will take place on Aug. 23 in Carmel, Indiana. USDA announced a tentative pre-hearing schedule for the rule-making processes. That move was in response to petitions submitted by the National Milk Producers Federation, International Dairy Foods Association and American Farm Bureau Federation, and others.
- NMPF joined other commodity groups to announce their joint opposition to an amendment introduced by Rep. Victoria Spartz (R-IN) that attacks commodity checkoff program. The amendment was introduced to the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act of 2024, which is the legislation that funds the US Department of Agriculture. The Spartz amendment would prohibit USDA from using any tax dollars to administer commodity Checkoff programs. This legislation is completely frivolous and wastes congressional time because no taxpayer dollars are being used to administer Checkoff programs. Instead, these programs are funded entirely by those who pay into them, not American taxpayers. USDA oversees 22 commodity Checkoff programs that boost demand for products like beef, eggs, lamb, cotton, blueberries, honey, mangos, peanuts, mushrooms, watermelons, dairy, cotton, popcorn, and even Christmas trees.