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Dairy EXCELLENCE
 Dairy Week In Review

Dated July 27, 2022



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (July)	\$22.51/cwt.	—	▼ 1.3 %	▲ 36.3 %
Class IV Milk Price (July)	\$25.86/cwt.	—	▲ 0.7 %	▲ 62.4 %
Corn (September)	\$ 6.00/bushel	▲ 1.6 %	▼ 5.8 %	▲ 9.2 %
SBean Meal (September)	\$488.9/ton	▲ 12.5 %	▲ 5.5 %	▲ 37.1 %
DMC Margin (May)*	\$ 12.51/cwt.	—	▲ 1.8 %	▲ 87.6 %

*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 milk production in the US increased 0.17 percent year-over-year to 18.975 billion pounds in June, according to the latest USDA Milk Production report. This was the first year-over-year increase since October 2021 and was driven by a 1 percent gain in milk production per cow, up 20 pounds to 2,014, the largest gain in milk production per cow since June 2021. The nation's dairy herd continues to decline year-over-year, falling 78,000 head from last June to 9.423 million head. However, cow numbers were up 4,000 head since May 2022.
- Of the top eight milk producing states, California, Wisconsin and Idaho were all up in production, increasing 0.2, 1.5, and 0.1 percent, respectively. New York's milk production was down 0.2 percent, while Texas was up 6.9 percent. Michigan, Minnesota, and Pennsylvania were all down, with both Michigan and Minnesota down 1 percent and Pennsylvania falling 1.5 percent. California, Wisconsin, Idaho, and Texas all posted gains in their dairy herd, with Texas showing the most growth with 24,000 more head. Pennsylvania's dairy herd shrank 8,000 head from a year ago to 467,000 head, but was flat for the past several months. Pennsylvania did show a gain in milk production per cow of 20 pounds, or 1.1 percent, to 1,800 pounds for the month.
- Total cheese stocks declined 6.8 million pounds from May to June, according to the latest USDA Cold Storage Report, which was slightly less than the average decline of 11 million pounds from May to June. Total cheese inventories sit at 1.5 billion pounds, up 5 percent from a year ago. Inventories of American-style cheeses fell 10.2 million pounds but were still up 4.7 percent to a record high for the month of June. Other-style cheese inventories were up month-over-month, increasing 5.1 percent to 634 million pounds. Butter stocks were also up, with inventories up 10.2 million pounds from May to 331.8 million pounds. However, butter stocks still remain 20 percent below year-earlier inventories.
- Milk production in the European Union continues to fall, with May milk collections in the EU-27 and United Kingdom down 1.6 percent from a year ago, which with April's declines was the steepest year-over-year deficit since 2016. Belgium was the only country in the top 10 EU dairy countries to post an increase.

Government and Industry:

- The 2022 FARM Award nominations are now being accepted until August 1, 2022. This is an opportunity to recognize and highlight dairy farmers and evaluators excelling in Animal Care/Antibiotic Stewardship, Environmental Stewardship and Workforce Development. Farms or FARM evaluators can be nominated by fellow dairy farmers, members of their communities, extension, cooperative or processor staff, veterinarians, themselves or others. Winners will be recognized at Dairy Joint Annual Meeting in Aurora, Colorado, on October 24-26. Learn more at nationaldairyfarm.com/farm-excellence-awards-2022/.