

CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated August 4, 2021



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (August)	\$16.03/cwt.	▼ 2.9 %	▼ 4.3 %	▼ 34.7 %
Class IV Milk Price (August)	\$15.55/cwt.	▼ 2.6 %	▼ 3.6 %	▲ 14.3 %
Corn (September)	\$ 5.46/bushel	▼ 0.5 %	▼ 17.0 %	▲ 76.1 %
SBean Meal (August)	\$353.1/ton	▼ 0.8 %	▼ 0.53 %	▲ 24.9%
Milk Margin (May)*	\$11.43/cwt.	—	▲ 10.43 %	▲ 68.34 %

**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."*

- Feed costs are up nearly \$2 per hundredweight since the beginning of the year, according to the latest USDA Ag Prices report. Corn prices were up \$1.76 per bushel, while alfalfa hay was up \$26 per ton. Soybean prices fell back from May and are down \$61.06 from January. The all-milk price was announced at \$18.40 per hundredweight, down 80 cents from May. With the lower milk price and higher feed costs, USDA announced the June margin under the Dairy Margin Coverage Program at \$6.24 per hundredweight, which means those with higher coverage than \$6.50 will receive a payment on their June milk.
- USDA announced the July Class III milk price at \$16.49 per hundredweight, down \$0.72 from June and \$4.55 below last year's price. The Class IV price was announced at \$16.00 per cwt., down 35 cents from June and \$3.10 above year-ago levels.
- The dairy price index on the latest Global Dairy Trade auction was down 1.0 percent from the last session to \$3,784 per metric ton. The butter price increased 3.8 percent, and Cheddar cheese prices were up 0.7 percent. Butter milk powder prices fell 8.0 percent. Skim milk powder was up 1.5 percent while whole milk powder prices fell 3.8 percent. This is the seventh consecutive auction-to-auction decrease in the dairy price index.
- The latest US Dairy Products Report shows total cheese output up 0.2 percent from a year ago but down 2.9 percent from last month to 1.12 billion pounds in June. American-type cheeses were up 5.1 percent from a year ago, while Italian-type cheeses were down 2.6 percent. Butter production was up 7.8 percent from a year ago to 161 million pounds, but down 13.1 percent from last month. Combined production of nonfat dry milk and skim milk powder was a total of 217.2 million pounds, an increase of 19.8 percent for nonfat dry milk powder compared to last year but a decrease of 46.1 percent for skim milk powder.

Government and Industry:

- The Center for Dairy Excellence Board of Directors is requesting nominations to fill two open board positions. The available positions are for a dairy producer from the Central Pennsylvania region and a dairy sales and service representative. Anyone who would like to submit a nomination can send those to Jayne Sebright at jsebright@centerfordairyexcellence.org.

Dairy Opportunity of the Week:

- A progressive dairy farm operation in Juniata County is looking for the next generation to lease the dairy farm. The facility has room for 200 milking dairy cows, with 350 acres of cropland available to supply feed. The barn features a 50X400 bedded pack, with housing for two production groups. Cows can have access to rotational pastures from April - October. The facility also includes a pre-fresh barn for 16 close-up cows, 36 tunnel-ventilated tie stalls with mattresses for far off cows, and a 60-headlock heifer barn. The farm also has 50 acres of certified organic cropland. Contact PA Farm Link at 717-705-2121 or visit pafarmlink.org.