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**Dairy** EXCELLENCE  
**Dairy Week In Review**

Dated August 19, 2020



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (August)	\$19.84/cwt.	▲ 2.2 %	▼ 18.5 %	▲ 6.7 %
Class IV Milk Price (August)	\$13.15/cwt.	▼ 2.7 %	▼ 4.8 %	▼ 19.4 %
Corn (September)	\$3.27/bushel	—	▲ 1.5 %	▼ 10.5 %
SBean Meal (August)	\$296.7/ton	▲ 5.5 %	▲ 3.5 %	▼ 1.7 %
Milk Margin (June)*	\$12.65/cwt.	—	▲ 86.3 %	▼ 9.81%

*\*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."*

- Class III and IV milk futures prices on the CME fell hard this week, with more and more schools moving to remote. Class III price futures for the next three months are down \$4.50 from where they were a month, now averaging \$17.85 per hundredweight. Class IV milk prices for the next three months have also fallen, down about 50 cents from a month ago to \$13.66 per hundredweight.
- The average dairy price index on the latest Global Dairy Trade auction down 1.7 percent to \$3,004 per metric ton, marking the third consecutive decrease as the global market struggles with concerns related to the COVID pandemic and a growing supply. Butter prices fell 2 percent, while Cheddar cheese prices were down 3.6 percent. Skim milk prices were up 1.1 percent, while whole milk powder were down 2.2 percent.
- According to the latest USDA Crop Progress Report, only 47 percent of the corn crop in Pennsylvania is in the "excellent" and "good" category. About 59 percent of the soybean crop falls into those two categories. With drought conditions affecting regions of the state, corn silage harvest has already begun. Nationwide, 69 percent of the corn crop is in good to excellent condition, up about 10 percent from last year's crop at this time.

## Government and Industry:

- USDA has extended the deadline to apply for direct payments through the Coronavirus Food Assistance Program to Sept. 11. To ensure availability of funding, the USDA initially released only 80% of approved payments to farmers. If you have already applied and received the initial 80% payment, the remaining 20% payment will start processing beginning on August 17, 2020. Applications received now until the deadline will receive 100% of the payment once the application is approved.
- The CFAP direct payment is roughly equivalent to \$6.20 per cwt of an applicant's first quarter milk production. This is roughly \$6,200 for each 100,000 pounds of first quarter milk production. Dairy farmers can elect to have the direct payment paid to them through their cooperative. Contact your local Farm Service Agency Office for more information. Or if you would like help completing the application, please contact the Center at the number below.
- Dairy farmers who experienced losses related to dumped milk due to the pandemic can apply for CARES Act funding through the Pennsylvania Department of Agriculture to reimburse their dairies for those losses. Farms that have a documented loss can apply for a minimum of \$1,500 in assistance and an additional prorated share of the remaining funds, not to exceed the actual value of the discarded milk or the total fees assessed by the handler. For an application, go to [agriculture.pa.gov/COVID](http://agriculture.pa.gov/COVID) or call the Center at 717-346-0849 to have an application mailed to you. Leave your mailing address and a phone number with your message.