

CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated September 14, 2022



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Sept)	\$19.90/cwt.	▲ 0.3 %	▼ 0.7 %	▲ 19.8 %
Class IV Milk Price (Sept)	\$24.76/cwt.	▲ 2.7 %	▲ 8.6 %	▲ 44.4 %
Corn (September)	\$ 7.24/bushel	▲ 7.1 %	▲ 16.6 %	▲ 36.1 %
SBean Meal (September)	\$458.3/ton	▲ 6.0 %	▼ 11.2 %	▲ 35.9 %
DMC Margin (July)*	\$ 9.92/cwt.	—	▼ 15.2 %	▲ 81.4 %

*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.

- USDA's World Agricultural Supply and Demand Estimates report lowered forecasts for corn and soybean production. Soybean estimates were lowered by 152 million fewer bushels from August's estimates, with declines in both harvested acreage and yield impacting the decline. Soybean yields are now projected at 50.5 bushels per acre, down 1.4 bushels from last month. Beginning stocks were increased, but the decline in both yields and acreage resulted in ending stocks falling about 93 million bushels to 4.433 billion bushels. US corn production was decreased by 415 million pounds from last month's estimates to 13.944 billion bushels, drive by both declining yields and acreage. USDA estimated harvested acres at 80.8 million acres, down 1 million from August estimates, while yields were cut by 3 bushels to 172.5 bushels per acre. Estimated ending corn stocks were decreased by 169 million pounds from August's estimate to 1.219 billion bushels in this report. The report impacted grain prices, sending the futures market for both corn and soybeans up in the past week.
- The report also lowered milk production forecasts for both 2022 and 2023, with forecasts for both milk cow numbers and in milk production per cow lowered from last month's report. As a result, the all-milk price estimate for 2022 was increased to \$25.45 per cwt., while the all-milk forecasted price for 2023 was increased to \$22.70 per cwt.
- US exports increased 4.5 percent from a year ago to 467.4 million pounds in July, with increases in most major products except nonfat and skim milk powders. NDM and SMP exports totaled 142.8 million pounds, down 11 percent from a year ago. Cheese exports were up 1.6 percent, while butter exports were up more than 70 percent, reaching 13.5 million pounds.
- The dairy price index on the latest Global Dairy Trade auction experienced its first session-to-session increase in the past six sessions. The price was up 4.9 percent to \$4,007 per metric ton. Whole milk powder was up the most, with its price up 5.1 percent. Butter prices were up 3.3 percent, while skim milk powder and Cheddar cheese prices up 1.5 and 1.0 percent, respectively.

Government and Industry:

- The National Dairy Farmers Assuring Responsible Management (FARM) Program is accepting comments on its drafted Version 5 standards updates. All dairy industry stakeholders (farmers, allied industry, customers, etc.) are invited to provide comments, feedback and concerns related to the proposed standards until Oct. 28. FARM Animal Care Version 5 is currently under development and, once approved, will take effect July 1, 2024, for a three-year cycle. To provide comments, go to www.nationaldairyfarm.com and search "Farm 5.0 Standards."
- September is National Farm Safety Month. The Center for Dairy Excellence has several resources available to help farms promote farm safety. To request safety signs to be mailed to you while supplies last, visit www.centerfordairyexcellence.org/farm-safety or call 717-346-0849.