



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated September 16, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Sept)	\$16.34/cwt.	▼ 2.1 %	▼ 17.7 %	▼ 10.5 %
Class IV Milk Price (Sept)	\$12.68/cwt.	▼ 1.2 %	▼ 3.6 %	▼ 22.4 %
Corn (September)	\$3.69/bushel	▲ 5.4 %	▲ 12.8 %	▲ 0.6 %
SBean Meal (September)	\$319.0/ton	▲ 2.9 %	▲ 7.5 %	▲ 9.6 %
Milk Margin (June)*	\$14.56/cwt.	—	▲ 26.8 %	▲ 15.1 %

*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."

- USDA released its World Agricultural Supply and Demand Estimates, projecting a national average corn yield of 178.5 bushels per acre, down from August's estimate but still above the record high reached in 2017-18 of 176.6 bushels per acre. Acres harvested were also reduced from the August estimate, with 83.5 million acres of corn expected to be harvested this fall. The average soybean yields were reduced from August's estimate to 51.9 bushels per acre, with an estimated total production of 4.31 billion bushels of soybeans expected for the harvest season. The report caused some volatility in the grain markets this week.
- The average dairy price index on the latest Global Dairy Trade auction was up 3.6 percent to \$3,092 per metric ton. It was the first increase in the average price since July. Skim milk powder, Cheddar cheese and whole milk powder all boasted price index, up 8.4, 7.2 and 3.4 percent, respectively. The butter price fell 1.4 percent.

Government and Industry:

- 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. The deadline for this program is September 30. For an application, go to 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.
- The *Daily Dairy Report* recently shared the findings of a recent Gallup poll asking Americans whether they have favorable or unfavorable views of 25 industries. Farming and agriculture was ranked the highest with a 69 percent favorability rating. Farming and agriculture gained 11 percentage points from when the poll was conducted last year, marking the first time our industry held the top spot since Gallup began the poll 20 years ago. According to the poll, only 11 percent of the respondents viewed farming and agriculture in a negative light.
- The pandemic has weighed heavily on restaurant sales, which has represented a large portion of dairy sales in the past. A recent survey from the National Restaurant Association indicates nearly 100,000 restaurants, or one in six, have effectively closed permanently since March.