



CENTER FOR  
**Dairy**EXCELLENCE  
**Dairy Week In Review**

Dated September 21, 2022



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Sept)	\$19.89/cwt.	▼ 0.2 %	▼ 1.4 %	▲ 19.8 %
Class IV Milk Price (Sept)	\$24.75/cwt.	—	▲ 0.6 %	▲ 50.8 %
Corn (December)	\$ 6.91/bushel	▼ 5.4 %	▲ 12.3 %	▲ 31.6 %
SBean Meal (October)	\$450.8/ton	▼ 1.7 %	▲ 2.3 %	▲ 33.4 %
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.*

- US total milk production was up 1.6 percent year-over-year to 18.2 billion pounds in August, marking the first significant increase in year-over-year production since October 2021. Cow numbers were still down 11,000 head from a year ago to 9.427 million head, up 8,000 head from July. Milk production per cow, however, jumped 34 pounds to 2,018 pounds for the month of August, a 1.7-percent increase.
- Most of the major milk producing states boasted increases in total milk production, with California, Wisconsin, Idaho, New York, and Texas all up, 2.0, 1.1, 2.5, and 8.9 percent, respectively. Michigan's milk production fell 1.5 percent, while Minnesota and Pennsylvania were both up, 0.6 and 0.5 percent, respectively. Pennsylvania's cow numbers were down 7,000 head from a year ago to 468,000 head, but were up 1,000 head from July, marking the first time in several years that cow numbers in the state actually grew month over month. Georgia was the only state in the top 24 dairy states that had a double digit gain, increasing 14.5 percent year over year to 163 million pounds, with 11,000 more head than a year ago.
- The European Union increased its milk production in July, with the 25 reporting nations in the EU up 0.3 percent to 30.54 billion pounds for the month. Germany, France and the United Kingdom had decreases in milk production, while the Netherlands and Poland were up significantly.
- The market didn't react significantly to the increase in milk production. In fact, Class III milk futures for the next six months had double digit gains this week, with the Class III milk price for the remaining months in 2022 averaging \$21.35 per cwt., well above the five-year average. Class IV prices also remain strong, with the average price for the last four months of 2022 at \$23.84 per cwt., also well above the five-year average.

## Government and Industry:

- The Center will host its monthly Protecting Your Profits conference call and webinar on Wednesday, September 28, at 12 p.m. Hear from Dairy Risk Education Manager Zach Myers as he shares a look at dairy markets, factors influencing the market, and risk management options for protecting your bottom line. To connect to the call, dial 301-715-8592 and use the Meeting ID: 848 3416 1708 and passcode: 474057, or email Zach at [zmyers@centerfordairyexcellence.org](mailto:zmyers@centerfordairyexcellence.org) for the Zoom link.
- The National Dairy Farmers Assuring Responsible Management (FARM) Program is accepting comments on its drafted Version 5 standards updates. Feedback related to the proposed standards will be accepted until Oct. 28. FARM Animal Care Version 5 is currently under development and will take effect July 1, 2024, for a three-year cycle. To provide comments, go to [www.nationaldairyfarm.com](http://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](http://www.centerfordairyexcellence.org/farm-safety) or call 717-346-0849.