



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Sept) **	\$18.26/cwt.	—	▲ 3.7 %	▲ 6.5 %
Corn (Dec)	\$3.74/bushel	▲ 0.8 %	▲ 1.0 %	▲ 3.0 %
SBean Meal (Oct)	\$293.2/ton	▲ 0.5 %	▼ 0.3 %	▼ 4.6 %
Milk Margin (July)*	\$12.74/cwt.	—	▲ 10.6 %	▲ 24.1 %

\*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." Milk margin is affected by both milk & feed prices. \*\* The milk price reported is the Class III futures price for the next month plus a basis of \$1.00, an estimate of what could be on your milk check next month.

- USDA's Cold Storage report shows inventories of all cheese varieties increased slightly last month, with 1.36 billion pounds of cheese in storage on August 31, up 700,000 pounds from the end of July. The month-to-month increase is unusual, with inventories falling more than 25 million month-to-month on a five-year average. American cheese stocks remain tight, with 768 million pounds in storage on August 31, down 3.6 million pounds from July and down 2.4 percent from the previous year. Butter stocks were down in August, falling 24.5 million pounds from July to 305.1 million pounds on August 31, up 4.9 percent from a year ago.
- The Class I base price for October 2019 was announced at \$17.84 per cwt., down a penny from September but up \$1.51 from a year ago.
- The U.S. government has reached an interim agreement with Japan that will deliver improvements in market access for the U.S. dairy industry and other products. But industry groups say there is still work to be done. A letter sent last month by 70 dairy companies, farmer-owned cooperatives, and associations to the United States Trade Representative and the U.S. Secretary of Agriculture asked the U.S. government to move swiftly to finalize a strong trade deal with Japan and secure critical market access for the U.S. dairy industry.

## Government and Industry:

- The deadline to sign up for the Dairy Margin Coverage program was extended until yesterday, September 27, to allow more time for producers to take advantage of the new program. As of September 16, 1,891 dairy farms in Pennsylvania enrolled in the program, with estimated payments of \$20.8 million in 2019. That represents about 76 percent of the farms that were enrolled in the previous Dairy MPP Program and about 30 percent of the total farms. About 55 percent of the total dairy farms in the US enrolled in the program, with about \$276.8 million in expected payments for 2019.
- Farmers can sign up for the USDA Market Facilitation Program at their local FSA Office. Dairy producers are eligible for payments of \$0.20/cwt on their production history. The first portion is available now and will include 50% of the total payment, which for dairy farmers should mean an initial rate of \$0.20/cwt. on half of their production history. December 6 is the deadline to sign up, with the remaining two payments expected in December or January if market conditions warrant.
- The Center is now accepting applications for its On-Farm Program. Grants are available for Transformation, Transition and Profit Teams, with funds covering paid team members and discovery-related costs. Farms can also apply for a Dairy Decisions Consultant Grant, which will cover the cost of a consultant to do a whole farm review and offer insight on key decisions affecting the future of the farm. Contact Melissa Anderson at 717-346-0849 or manderson@centerfordairyexcellence.org for more information.
- Chile introduced a new law that defines milk as being derived from animals, and prohibits beverages of plant origin from being labeled as 'milk'. Milk from animals other than cows must be labeled as such.