



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

Dated September 30, 2020



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Sept)	\$16.35/cwt.	▲ 0.6 %	▼ 17.5 %	▼ 22.4 %
Class IV Milk Price (Sept)	\$12.72/cwt.	▲ 0.1 %	▼ 1.0 %	▼ 22.5 %
Corn (September)	\$3.64/bushel	▼ 1.1 %	▲ 7.3 %	▼ 2.7 %
SBean Meal (September)	\$327.0/ton	▼ 4.4 %	▲ 12.4 %	▲ 11.6 %
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."

- Each year in Aug/Sept., the USDA releases fluid milk sales and per capita consumption data for the previous year. Fluid milk sales data is separated into eight categories including whole, reduced-fat, low-fat, skim, flavored whole, flavored other than whole, buttermilk, and eggnog. The report also included a spreadsheet showing trends over 45 years. In 1975, total fluid milk sales were 53.3 billion pounds but dropped to 46.4 billion pounds in 2019. This represents a decrease of 13% in 45 years.
- Whole milk sales have increased year-over-year (YOY) since 2014 for a total increase of 12%, or 1.7 billion pounds, over the six-year period ending in 2019. 2014 sales were 13.8 billion pounds and increased to 16.1 billion pounds at the end of 2019. Flavored whole milk has increased YOY since 2015 (572 million pounds) for a total increase of 208 million pounds, or 36% growth in sales at the end of 2019 (780 million pounds). Unfortunately, other categories have been declining for several years and are driving the overall recent sales losses. Total 2019 fluid milk sales are down 1.8% or 828 million pounds from 2018.
- Per capita consumption is the total pounds of dairy products, on a milk-fat, milk-equivalent basis, that the average person in the U.S. consumes each year. Per capita consumption has increased from 539 pounds per person in 1975 to 653 pounds in 2019. This represents an overall increase of 21%. 2019 per capita consumption grew about 1% compared to 2018.

## Government and Industry:

- The USDA announced a second round of disaster assistance related to the COVID pandemic. The Coronavirus Food Assistance Program Round 2 (CFAP2) Program includes a dairy payment totaling \$1.20 per hundred-weight on a farm's milk production for the last nine months of 2020. The payment is calculated using actual milk production from April 1 to August 31, 2020, and estimating milk production for the September - December time period using the farm's average daily production from April to August. The program also includes \$55 per head for bull calves and dairy steers, but not for breeding stock, and payments of crops including corn, soybeans and wheat. The enrollment period opened September 21 and will close on December 11. USDA will provide 100 percent of the payment to the farm once eligibility is determined. A farm can apply online at [farmers.gov/cfap/](https://farmers.gov/cfap/) or by visiting their local FSA Office to complete an application.
- To help farms better understand the guidelines and application process associated with the CFAP2 Program, the Center will host an industry conference call on Tuesday, October 6, from 12 p.m. - 1 p.m. An update on the PA Dairy CARES Program and the Payroll Protection Program forgiveness application process will also be provided during the call. Farms do not need to pre-register, but can text questions to 717-585-0766 prior to the call. To join the call, dial 978-990-5000 and use 553371# as the access code when prompted.