



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Oct) **	\$19.71/cwt.	▲ 1.8 %	▲ 7.7 %	▲ 17.6 %
Corn (Dec)	\$3.93/bushel	▲ 1.5 %	▲ 12.9 %	▲ 7.7 %
SBean Meal (Oct)	\$306.5/ton	▲ 2.1 %	▲ 5.8 %	▼ 1.8 %
Milk Margin (August)*	\$12.39/cwt.	—	▼ 2.8 %	▲ 23.4 %

*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.

- US dairy exports were valued at \$494.4 million in August, up 3 percent from a year ago, due to higher dairy prices. Export volumes were down 14 percent from a year ago to 162,526 metric tons. Export volumes of whole milk powder increased 119 percent, while volumes of most other dairy commodities decreased. Butterfat export volumes were down 55 percent year-over-year in August, posting the biggest drop. Year to date, total dairy export volumes were down 13 percent while the value of total dairy exports sold in the first eight months went up 3 percent year-over-year. On a total milk solids basis, US exports were equal to 14.2 percent of the total milk solids production in August.
- USDA recently reported 2019 sales of conventional fluid milk through July 2019, with total fluid milk sales down 1.7 percent, while organic fluid milk sales were down 3.3 percent. According to USDA, per-capita consumption of fluid milks declined from 20.66 to 17.31 gallons from 2009 to 2017, falling 16.2 percent over the past eight years. National Milk Producers Federation recently cited IRI data to show that 53 percent of the lost fluid milk volume went to bottled water.
- According to Eurostat data, Europe had 22.9 million milk cows at the end of last year, a drop of more than 400,000 head, or 1.7 percent, from December 2018. Germany accounted for nearly a quarter of the decline.

Government and Industry:

- 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.
- Sign-up for the 2020 Dairy Margin Coverage Program began October 7, 2019. All dairy farmers who want 2020 coverage must visit their local USDA Service Center office to pay the annual administrative fee, which is \$100 for the lowest level catastrophic coverage. Producers must visit their local office before December 31, 2019, to enroll in 2020, even if they locked in coverage for five years to take advantage of the 25% premium discount. The USDA did publish its final tally for DMC enrollment in 2019, indicating that 22,631 farms using the program this year will be paid a total of \$303 million.