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DairyEXCELLENCE
Dairy Week In Review

Dated November 11, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Nov)	\$23.45/cwt.	▼ 1.4 %	▲ 10.8 %	▲ 10.4 %
Class IV Milk Price (Nov)	\$13.54/cwt.	▼ 0.2 %	▲ 0.7 %	▼ 19.1 %
Corn (December)	\$4.17/bushel	▲ 2.9 %	▲ 6.7 %	▲ 11.2 %
SBean Meal (December)	\$391.6/ton	▲ 1.3 %	▲ 9.2 %	▲ 28.7 %
Milk Margin (September)*	\$10.26/cwt.	—	▼ 7.57 %	▼ 22.10 %

**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."*

- This month's USDA's World Agricultural Supply and Demand Estimates report estimated the 2020-21 corn crop at 14.507 billion bushels, down 215 million from last month's estimates. Average yields were reduced by 2.6 bushels to 175.8 bushels per acre, while corn exports are expected to reach an all-time high of 2.65 million bushels. The combined effect is expected to reduce ending stocks by 465 million bushels to 1.7 billion bushels. USDA also reduced the soybean crop by 98 million bushels to 4.17 billion bushels and the ending stocks by 100 million bushels to 190 million bushels, which if realized would be the lowest level in seven years.
- USDA Dairy Products Report shows total cheese production (excluding cottage cheese) in September was 1.09 billion pounds, up 1.1 percent from a year ago and 0.6 percent above August 2020. September's butter production was up 5.4 percent from a year ago to 152 million pounds, up 0.3 percent from August. Dry milk products showed growth in production, while whey products were down.

Government and Industry:

- Farmers are encouraged to sign up for 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 hundredweight on a farm's milk production for the last nine months of 2020. The enrollment period will close on December 12. To apply, contact your local FSA Office.
- Dairy farmers are encouraged to enroll for the 2021 Program Year of the Dairy Margin Coverage Program. All dairy farmers who want coverage must visit their local USDA Service Center office to pay the annual administrative fee, which is \$100.
- The September margin under the DMC Program was announced last week at \$9.40 per cwt., which would yield a 10 cent per hundredweight payment to anyone enrolled at the \$9.50 margin level. In 2020, those at the \$9.50 level received payments in 5 out of the 9 months announced so far.