



CENTER FOR  
**Dairy**EXCELLENCE

## For Immediate Release

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### **REVIEW MARKET FUNDAMENTALS DURING NEXT ‘PROTECTING YOUR PROFITS’ CALL** *Dairy Professionals Are Invited to Join the November 20 Conference Call*

**Harrisburg, Pa.** – On Wednesday, November 20 at noon, the Center for Dairy Excellence will host its monthly “Protecting Your Profits” call. Led by Zach Myers, Risk Education Manager with the Center, the call will help dairy producers and industry professionals learn about current risk management options and review market fundamentals that are impacting profitability.

“Just like last month, market fundamentals seem to be set for continued improvement in milk price over the coming months,” said Myers. “The national herd continues its decline and milk production is not increasing as rapidly as it has in recent years. We will discuss these trends and more during our monthly call to help producers find a way forward in today’s marketplace.”

During the call, Myers will provide an overview of the following data:

- As of Nov. 8, 2019, Class III and Class IV futures prices for the next six months are still trending higher than the previous six months. Class III futures for the next six months are averaging \$18.01 per hundredweight, 33 cents higher than this time last month.
- Over the last few months Class IV futures have been trending down but have improved considerably this month. Class IV futures for the next six months are averaging \$17.14 per hundredweight, 42 cents above this time last month.
- September dairy cow slaughter was up 3.4 percent compared to September 2018, and the rolling 12-month average for dairy cow slaughter is still up over 4 percent.
- September milk production was up, unexpectedly, by an increase of 1.4 percent over September of 2018.
- September cow numbers dropped over 0.5 percent from September of 2018 to 9.315 million head.

Producers will also learn about current risk management programs, including the Dairy Margin Coverage (DMC) program. Enrollment for the 2020 program year began on October 7 and will continue until December 13. Dairies that enrolled in DMC for the full five years of the 2018

Farm Bill will still need to visit their Farm Service Agency office to fill out the paperwork for 2020 and pay their \$100 administration fee before the December 13 deadline to remain enrolled.

Dairy Revenue Protection policies for first quarter 2020 through first quarter 2021 will be available for purchase from an Authorized Insurance Provider through December 15, 2019. Dairy farmers have until December 6 to apply for the 2019 Market Facilitation Program that provides direct payments to US farmers affected by retaliatory tariffs as a result of current trade disputes. Last August, the USDA authorized a \$0.20 per hundredweight payment to US dairy farmers for 50 percent of their established production history. A second and third payment of 10 cents per hundredweight on the remaining production history may be authorized in November and January if market conditions show that retaliatory tariffs are still depressing the milk price.

“Pennsylvania dairy farmers who did not enroll in Dairy Margin Coverage for 2019 or for the full five years of the program need to decide what they want to do for 2020,” Myers added. “Your local FSA office can help you enroll, and while you’re there, consider applying for Market Facilitation—you have 20 cents per hundredweight waiting to be claimed.”

Join the Center on November 20 to find out how these programs and the conventional price risk management tools can fit in to your marketing plan. All are welcome to participate at no cost. To register, call 717-346-0849 or email Myers at [zmyers@centerfordairyexcellence.org](mailto:zmyers@centerfordairyexcellence.org).

The call will start promptly at noon and last approximately 15 minutes. Calls are recorded and posted on the Center for Dairy Excellence [website](#) for those who are unable to join the live session.

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The Center for Dairy Excellence is a non-profit organization initiated by the Pennsylvania Department of Agriculture in 2004. Bringing together people from more than 40 different dairy organizations in Pennsylvania, the Center’s mission is to enhance the profitability of the dairy industry by empowering people, creating partnerships, and increasing the availability and use of resources. Learn more at [centerfordairyexcellence.org](http://centerfordairyexcellence.org).

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