

CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated November 15, 2023



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Nov)	\$17.10/cwt.	▼ 0.2 %	▲ 1.6 %	▼ 18.6 %
Class IV Milk Price (Nov)	\$20.61/cwt.	▼ 0.7 %	▼ 4.6 %	▼ 12.1 %
Corn (December)	\$ 4.70/bushel	▲ 0.4 %	▼ 3.9 %	▼ 29.4 %
SBean Meal (December)	\$469.2/ton	▲ 4.9 %	▲ 17.4 %	▲ 15.5 %
DMC Margin (September)*	\$ 8.44/cwt.	—	▲ 30.7 %	▼ 2.1 %

**Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.*

- The latest USDA World Agricultural Supply and Demand Estimates report could point to more manageable feed costs in the coming year. The report released last week increased the national average yield for corn by 1.9 bushels to 174.9 bu/acre, which was enough to increase the projected US corn production to a new record high of 15.2 billion bushels. USDA also increased its estimates for the average soybean yield to 49.9 bu/acre, up 0.3 bushels compared to last month's report. Corn stocks are expected to reach a five year high of nearly 2.2 billion bushels, up 45 million bushels from last month's report, while soybean stocks are expected to reach 245 million bushels, up 25 million bushels from last month's projections but still slightly under historical averages.
- On the flipside, the report did lower projections for the milk production forecast, with cow number forecasts lowered into the fourth quarter because of recent trends in the Milk Production report. Growth in milk per cow is also expected to slow into the third and fourth quarter of 2023. The 2023 all milk price forecast was unchanged from last month at \$20.70 per cwt, while the 2024 all milk price was raised to \$20.80 per cwt.
- Looking at the latest Crop Progress Report, about 88 percent of the nation's corn crop has been harvested, while about 95 percent of the nation's soybean crop has been harvested. In Pennsylvania, about 56 percent of the crop has been harvested, compared to 71 percent last year at this time.
- The average dairy price index fell in the latest Global Dairy Trade auction, dropping 0.7 percent from the previous session to \$3,255 per metric ton. This drop follows four consecutive sessions of increased prices. Cheddar prices were up 4.5 percent, while butter milk powder and skim milk powder prices were both up, increasing 3.5 and 2.3 percent, respectively. Butter prices were down 1.6 percent. Whole milk powder prices fell 2.7 percent.

Government:

- Last week congressional lawmakers acknowledged that they will focus now on extending the current farm bill for at least ten months. The leaders of the House and Senate ag committees are targeting the stop-gap government funding measure to pass the extension. The deadline to pass the stop-gap bill is November 17 before it forces a federal government shutdown.
- The Center is accepting applications for dairies to pre-qualify to receive a Climate-Smart Team Grant. The program will help dairies accepted into the program identify and implement strategies that are both climate-smart and profitable. Implementation dollars will be awarded to farms that qualify based on herd size, with up to \$75,000 available for dairies with 199 cows or less, up to \$141,000 for dairies with 200 - 499 cows, and up to \$250,000 for dairies with 500 or more cows. Call 717-346-0849 or visit centerfordairyexcellence.org/climate-smart-grants/ to learn more.