



For Immediate Release

Media Contact: Emily Barge, 717-346-0849; ebarge@centerfordairyexcellence.org

November 16, 2021

JOIN "PROTECTING YOUR PROFITS" MONTHLY WEBINAR ON NOVEMBER 24 *The Discussion Will Take Place on November 24 at 12 p.m. Via Webinar or Conference Call*

Harrisburg, Pa. – The Center for Dairy Excellence is hosting its monthly "Protecting Your Profits" webinar on Wednesday, November 24 at 12 p.m. Held the fourth Wednesday of every month and led by Zach Myers, Risk Education Manager with the Center, the webinar will review current data and updates about the milk marketplace to guide decision-making and risk management strategies. Individuals can join via conference call, webinar, or podcast format.

"Dairy markets continue to improve relative to last month. For the first time since early 2019, it looks like Class IV and Class III milk prices will be inverted for several months. Current futures pricing has Class IV trading above Class III all year," Myers shared. "Join me for this 'Protecting Your Profits' webinar, where we will review some of the market drivers causing this inversion. If there are any details released on 2022 DMC enrollment or announced program changes by the time the call begins, I will also share those."

During the webinar, Myers will highlight the Class III and IV futures milk price forecasts and share data on dairy exports:

- Class III and IV milk prices increased through October. As of November 12 closing prices, the average Class III price for the next 12 months is up 38 cents per cwt to \$18.49 compared to this time last month.
- Class III and IV prices have inverted. The 12-month Class IV average is up to \$19.01 per cwt, \$1.32 more than last month and 52 cents per cwt higher than the Class III 12-month average.
- September exports continued a record-setting pace despite port congestion. September export volume was up 14% over last September because of increases in nearly all major dairy products, but specifically, large increases in nonfat/skim milk powder, cheese, and butterfat exports.
- Export value was estimated as double the volume growth at 28% above September 2020. Value was estimated to be \$655 million.

In addition, Myers will share updates on Dairy Margin Coverage (DMC) margins.

“This September marked the first month this year that the DMC feed cost declined and milk price increased. The September margin was announced as \$6.93 per cwt, which is an improvement in the DMC margin of \$1.71 per cwt compared to August,” Myers explained. “This triggers an indemnity of \$2.57 per cwt on 1/12 of 2021 production history. The September payment brings the net benefit of 2021 DMC to \$2.03 per cwt up to the 5-million-pound, Tier 1 cap.”

Myers will provide additional updates on the Dairy Revenue Protection (DRP) program to guide decision making by sharing quarterly price floors. Through December 15, 2021, DRP policies are available to purchase for first quarter 2022 through first quarter 2023.

To join the risk management discussion and access the information in a format that is most convenient for you, the Center offers the series in a webinar, podcast, and conference call format. There is no cost to participate in the monthly ‘Protecting Your Profits’ discussion, and no registration is necessary.

Webinar Format

Visit www.centerfordairyexcellence.org/NovemberPYP on Wednesday, November 24 at 12 p.m. to launch the webinar.

Conference Call Format

Individuals who would prefer to connect via conference call can dial the following number on Wednesday, November 24 at 12 p.m.:

Dial: 1-646-558-8656

Meeting ID: 848 3416 1708

Passcode: 474057

Podcast Format

Visit www.centerfordairyexcellence.org/pyp to listen to the “Protecting Your Profits” podcast and subscribe to get notified when new episodes are released. Episodes are expected to be published after the live webinar and conference call are concluded each month.

Join the Center on November 24 to find out how these programs and the conventional price risk management tools can fit in to your marketing plan. For more information, call 717-346-0849 or email Myers at zmyers@centerfordairyexcellence.org. The webinar will start promptly at noon and last approximately 15 minutes. They are recorded and posted on the Center for Dairy Excellence website for those who are unable to join the live session.

###

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.

Center for Dairy Excellence ▼ 2301 North Cameron St., Harrisburg, PA 17110 ▼ 717-346-0849 ▼
www.centerfordairyexcellence.org