



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated November 23, 2021



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Nov)	\$17.94/cwt.	▲ 3.3 %	▲ 0.2 %	▼ 22.5 %
Class IV Milk Price (Nov)	\$18.70/cwt.	▲ 0.1 %	▲ 3.3 %	▲ 39.5 %
Corn (December)	\$ 5.80/bushel	▲ 0.9 %	▲ 5.7 %	▲ 36.5 %
SBean Meal (December)	\$362.2/ton	▼ 2.6 %	▲ 12.3 %	▼ 9.2 %
Milk Margin (August)*	\$ 9.40/cwt.	—	▼ 4.0 %	▼ 15.3 %

**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 75-pound herd in the latest "PA Dairy Industry Performance Scorecard."*

- Total milk production in the US fell a half percent from a year ago to 18.515 billion pounds, with cow numbers down 14,000 head from a year ago while milk production per cow was down 6 pounds for the month. The nation's dairy herd has decreased by 100,000 head since June, when it reached its peak. Many of the major dairy producing states posted declines in total milk production. However, some states still posted increases. Wisconsin was up 2.7 percent, while Idaho was up 0.9 percent and New York was up 1 percent. Texas was up 3.9 percent, while Minnesota was up 2.8 percent. California, Michigan and Pennsylvania all posted declines, with California down 1.3 percent, Michigan falling 0.4 percent, and Pennsylvania down 3.1 percent. Pennsylvania had 7,000 fewer cows and 30 pounds less milk per cow from a year ago, or a little less than 1 pound per day. Processing limitations and base restrictions are causing some of the decrease in overall milk production, with the Southwest and Mid-Atlantic regions.
- USDA's Cold Storage Report showed inventories of both cheese and butter falling from September to October. Total cheese stocks were down slightly from a month ago to 1.451 billion pounds, up 8 percent from a year ago. Butter stocks fell 13 percent from a month ago to 281.5 million pounds. That's also down 6 percent from a year ago. Over the past four months, cheese inventories have grown more than 16 million pounds, the largest July-to-October increase since 2010.
- The US Census Bureau reported that retail and foodservice spending has increased by 0.9 percent on a daily basis from a month ago and is up 12.8 percent from a year ago. Grocery store sales are up 8.3 percent from a year ago, while restaurant spending is up 29.1 percent.

Government and Industry:

- With dairy futures markets showing strength right now, especially in Class IV futures prices, right now may be a good time to consider using the Dairy Revenue Protection Program to protect your profits for the coming year. Dairy RP offers market-based price coverage for the next five quarters, which currently includes the first quarter of 2022 through the first quarter of 2023. The program allows you to put a floor under your milk price. To learn more, contact your crop insurance agent. A list of agents is available at www.rma.usda.gov/tools/agent.html. If you want help in better understanding the program, contact Zach Myers at 717-346-0849.
- The Center for Dairy Excellence's "On-Farm Grant Programs" are currently open, with dairy farm families encouraged to consider leveraging a dairy profit, dairy transition, or dairy transformation team to aid in better decision making. Dairy Decisions Consultant Grants will also be available to assist with business planning, financial management, employee management, value-added, labeling, and marketing. To learn more about the grant programs, visit www.centerfordairyexcellence.org/programs-resources/.