



CENTER FOR
DairyEXCELLENCE
Dairy Week In Review



Dated November 6, 2024

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Nov)	\$19.94/cwt.	▼ 12.3 %	▼ 11.8 %	▲ 16.9 %
Class IV Milk Price (Nov)	\$21.06/cwt.	▼ 0.7 %	▼ 0.3 %	▲ 1.5 %
Corn (Dec)	\$ 4.18/bushel	▼ 1.0 %	▼ 0.7 %	▼ 10.7 %
SBean Meal (Dec)	\$ 299.4/ton	▼ 0.8 %	▼ 7.5 %	▼ 33.1 %
DMC Margin (Sep)*	\$ 15.57/cwt.	—	▲ 13.5 %	▲ 84.5 %

**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.*

Markets:

- The USDA announced September's Dairy Margin Coverage margin at \$15.57 per cwt, the highest margin since the program's inception in 2019. Payments were not triggered at any coverage levels. The margin jumped \$8.54 from September 2023 to September 2024. September's all-milk price experienced a month to month \$1.90 per cwt hike from August's \$23.60 to \$25.50. Feed costs came in at \$9.93 per cwt, up 5 cents month over month. This small bump in feed costs is driven by climbing corn and soybean meal prices.
- Based on the DMC Decision Tool (updated Nov. 1), current DMC forecasts indicate no further payments for program year 2024. For the last quarter of the year, projected margins decline steadily into October at \$14.85 per cwt through December at \$13.32. Even with the downturn, margins are estimated to remain well over the \$9.50 trigger. The all-milk price predictions trend down October through December, while alfalfa hay, soybean meal, and corn prices slightly increase.

Government/Industry:

- On Oct. 30, the Oregon Department of Ag verified a positive case of highly pathogenic avian influenza (HPAI) through genomic sequencing on a small-scale pig farm, shortly after birds from a small flock on the same property tested positive. Using the same sequencing, this case along with other others in OR and WA were the result of a different strain of the HPAI virus found in wild, migratory fowl, not the strain that has been detected in dairy cattle.
- The USDA announced on Oct. 30 that they will begin conducting expanded national surveillance of HPAI on dairy farms. This multi-leveled approach will have the USDA working in conjunction with state veterinarians to conduct large scale, bulk milk testing to more accurately evaluate the scope of HPAI on dairy farms across the country. The USDA will collaborate with states and regions to sample milk regionally with on-farm testing if the virus is detected. The USDA will release more information soon. The goal is to improve biosecurity, containment efforts, and remaining proactive.
- With HPAI affecting poultry and dairy farms nationwide, the Center for Dairy Excellence and Penn Ag Industry Association will partner on Wednesday, Nov. 13 at 1pm to host a new, monthly Pennsylvania Agriculture HPAI Conference Call for producers and stakeholders from all animal agriculture industries. Panelists from state and federal agencies will provide updates on the current situation, surveillance, programs, and remaining proactive. To add it your calendar or get the details to join, visit the Center's website under "Events."
- Last week, the National Milk Producers Federation (NMPF) rolled out version 3.0 for their FARM program's Environmental Stewardship (ES) module. This update will work towards greenhouse gas neutrality in the dairy industry by incorporating the Ruminant Farm System (RuFaS) model. The model's inclusion will utilize expertise from industry professionals to analyze the chemical, physical, and biological processes on farms. This will give processors a better understanding of the dairy community's environmental impact and recognize their efforts to reduce emissions.
- On Nov. 8 from 12 to 1pm, the Center hosted the last "Protecting Your Profits" webinar of 2024 titled "New Year, New Strategy: Capturing Opportunity and Managing Dairy Market Volatility." Featured guest speakers were Jacob Thompson and Andrew McCarty, Land O' Lakes Dairy Business Advisors. They provided insight into how the various risk management programs work and how dairy producers can utilize these tools to develop a comprehensive strategy. The recording is available at www.centerfordairyexcellence.org/ppp.