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**Dairy** EXCELLENCE  
**Dairy Week In Review**

Dated December 5, 2019



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Dec) **	\$20.33/cwt.	▼ 4.6 %	▲ 4.7 %	▲ 36.6 %
Corn (Dec)	\$3.69/bushel	▲ 0.5 %	▼ 5.5 %	▲ 1.4 %
SBean Meal (Dec)	\$301.8/ton	▲ 1.3 %	▼ 2.7 %	▼ 4.3 %
Milk Margin (October)*	\$13.99/cwt.	—	▲ 5.3 %	▲ 19.8 %

\*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 65-pound herd in the latest "PA Dairy Industry Performance Scorecard." Milk margin is affected by both milk & feed prices. \*\* The milk price reported is the Class III futures price for the next month plus a basis of \$1.00, an estimate of what could be on your milk check next month.

- USDA released its latest Dairy Products report, showing butter production was up 5.4 percent from a year ago to 157 million pounds in October. Total cheese production was down 2.1 percent to 1.13 billion pounds in October. Cheddar cheese production was down 4.2 percent, while mozzarella output was up 0.4 percent to an all-time high. Manufacturers' stocks of nonfat dry milk fell 30 million pounds month over month to 220 million pounds at the end of October, down 13 percent lower than a year ago and the smallest level of stocks since November 2016.
- The dairy price index on the latest Global Dairy Trade auction fell 0.5 percent to \$3,467 per metric ton this week, marking the first auction-to-auction decrease since September 6. Cheddar cheese prices were up 2.7 percent, while the skim milk powder price was down 1.9 percent. The whole milk price was flat at 0.1 percent, while butter prices fell 4.9 percent.
- USDA announced the Class III and Class IV milk prices for November. The Class III price was announced at \$20.45 per hundredweight, up \$1.73 from October and \$5.39 above last November. The Class IV price was \$16.60 per cwt., up 21 cents from October and \$1.54 above a year-ago levels.
- The USDA also released its Agricultural Prices report for October, reporting the All-Milk Price at \$19.90 per cwt., up 60 cents from last month. The corn price was also up 4 cents per bushel, while the alfalfa hay price was flat and the soybean meal price was up nearly \$14 per ton. With a higher All-milk price and slightly higher feed costs, the milk margin based on the Dairy Margin Coverage formula was announced at \$10.88 per hundredweight, up 47 cents.

## Government and Industry:

- Sign-up for the 2020 Dairy Margin Coverage Program began October 7, 2019. All dairy farmers who want 2020 coverage must visit their local USDA Service Center office to pay the annual administrative fee, which is \$100. Producers must visit their local office before December 13, 2019, to enroll in 2020.
- The Center is now accepting applications for its On-Farm Program. Grants are available for Transformation, Transition and Profit Teams, with funds covering paid team members and discovery-related costs. Farms can also apply for a Dairy Decisions Consultant Grant. Contact Melissa Anderson at 717-346-0849 for more information.
- Dairy producers, dairy farm employees, and dairy industry professionals are invited to volunteer at the Calving Corner during the 2020 Pennsylvania Farm Show from January 4-11 in Harrisburg, Pa. Volunteers will serve in a variety of roles, should be at least 18 years old, and have a practical understanding of the dairy industry. They will be provided with a Calving Corner sweatshirt and should plan to wear proper attire, including clean and neat jeans or khakis. Calving Corner volunteers will also be required to complete a brief online training. To learn more about the Calving Corner, call Miriam Miller at 814-935-4905 or sign up at [signup.com/go/NgTDPvY](http://signup.com/go/NgTDPvY).