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

Dated December 7, 2021



## Markets:

| Dairy Prices               | Price          | Chge. from Week Ago | Chge. from Month Ago | Chge. from Year Ago |
|----------------------------|----------------|---------------------|----------------------|---------------------|
| Class III Milk Price (Dec) | \$18.66/cwt.   | ▲ 3.4 %             | ▲ 3.3 %              | ▲ 22.8 %            |
| Class IV Milk Price (Dec)  | \$20.00/cwt.   | ▲ 7.2 %             | ▲ 7.5 %              | ▲ 47.3 %            |
| Corn (December)            | \$ 5.83/bushel | ▲ 2.8 %             | ▲ 3.3 %              | ▲ 39.1 %            |
| SBean Meal (December)      | \$359.7/ton    | ▲ 3.1 %             | ▲ 5.8 %              | ▼ 7.7 %             |
| Milk Margin (September)*   | \$ 10.68/cwt.  | —                   | ▲ 8.76 %             | ▼ 2.11 %            |

*\*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."*

- November's Class III milk price was announced at \$18.03 per hundred-weight, up 20 cents from October and the second highest price of the year. November's Class IV price topped the Class III price at \$18.79 per cwt., up \$1.75 from October's high, making it the highest price of the year so far. Class III prices for 2022 average \$19.15 per cwt. on the CME, as of Dec. 7, with Class IV prices averaging \$19.67 per cwt.
- USDA's Dairy Production Report shows total cheese output up 0.9 percent from a year ago to 1.147 billion lbs. in October. American cheese production fell 0.6 percent, while Cheddar cheese production was down 1.4 percent. However, production of Italian-style cheeses countered the decreases, with production increasing 3.5 percent. Butter production fell in October, down 1.6 percent to 159.4 million lbs.
- The dairy price index on the latest Global Dairy Trade auction was up 1.4 percent to \$4,290 per metric ton, marking the eighth consecutive session of prices either increasing or remaining flat. All products posted increases, with butter prices up 4.6 percent, skim milk powder up 1.3 percent, Cheddar up 1 percent, and whole milk powder up 0.6 percent.
- The Cooperative Working Together Program in November provided assistance for the export of 11.5 million pounds of American-type cheeses, 2.6 million pounds of butter, 1.1 million pounds of whole milk powder and 183,000 pounds of cream cheese. These products will go to customers in Asia, Middle East-North Africa, Europe, South America and Oceania. CWT-assisted 2021 dairy product sales contracts year-to-date total 49.9 million pounds of American-type cheese, 15.9 million pounds of butter, 6.1 million pounds of anhydrous milkfat, 11.5 million pounds of cream cheese and 45.1 million pounds of whole milk powder. This brings the total milk equivalent for the year to 1.404 billion pounds on a milkfat basis.

## 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](http://www.rma.usda.gov/tools/agent.html). If you want help in better understanding the program, contact Zach Myers at 717-346-0849.
- The Pennsylvania Department of Environmental Protection offers an Agricultural Energy Efficiency Rebate Program for agricultural producers. DEP has up to \$100,000 available for this program through State Energy Program funding from the US Department of Energy. The program is offering funding as a rebate voucher program for projects focusing on energy efficiency on the farm. All projects must be approved by DEP in advance by submitting an application. Vouchers will be awarded on a first come, first serve basis. For complete application instructions and program guidelines, visit the DEP agriculture and farming energy webpage at [www.dep.pa.gov/agricultureenergy](http://www.dep.pa.gov/agricultureenergy). You can also call 570-327-3783 or email [RA-EPAgEnergyPrograms@pa.gov](mailto:RA-EPAgEnergyPrograms@pa.gov) with questions.