



CENTER FOR
DairyEXCELLENCE

For Immediate Release

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REVIEW 2020 MARKET FUNDAMENTALS DURING ‘PROTECTING YOUR PROFITS’ CALL

Prepare for a New Year of Dairy During the December 18 Conference Call

Harrisburg, Pa. – The Center for Dairy Excellence will host its monthly “Protecting Your Profits” call on Wednesday, December 18 at noon. Led by Zach Myers, Risk Education Manager with the Center, the call will help dairy producers and industry professionals review market fundamentals going into the new year and better understand current risk management options.

“With the end of 2019 approaching, it looks like milk prices will end the year strong with the highest prices since 2014,” said Myers. “2020 is expected to be even better than this year with the U.S. all milk price expected to average \$18.85 per hundredweight next year, a quarter higher than the 2019 all milk price.”

During the call, Myers will provide an overview of the following data:

- As of Dec. 10, 2019, Class III and Class IV futures prices for the next six months are still trending higher. Class III futures for the next six months are averaging \$18.00 per hundredweight, virtually the same as this time last month (\$18.01).
- Class IV futures continue to improve with the price for the next six months averaging \$17.42 per hundredweight, 28 cents above this time last month.
- October dairy cow slaughter was down 0.73 percent compared to October 2018.
- October milk production was up another 1.44 percent over October 2018.
- September cow numbers dropped more than 0.5 percent from September of 2018 to 9.315 million head.

Producers who join the call will also receive updates about current risk management programs, including the Dairy Margin Coverage (DMC) program. Enrollment for the 2020 program year will end on December 13. With margins expected to remain above the highest margin coverage of \$9.50 per hundredweight all next year, enrollment is considerably less than 2019.

Dairy Revenue Protection policies for first quarter 2020 through first quarter 2021 will be available for purchase from an Authorized Insurance Provider through December 15, 2019. After that, second quarter 2020 through second quarter 2021 will be available until March 15, 2020.

Join the Center on December 18 to find out how these programs and the conventional price risk management tools can fit in to your marketing plan. All are welcome to participate at no cost. To register, call 717-346-0849 or email Myers at zmyers@centerfordairyexcellence.org.

The call will start promptly at noon and last approximately 15 minutes. Calls are recorded and posted on the Center for Dairy Excellence [website](#) for those who are unable to join the live session.

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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.

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