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Dairy EXCELLENCE
Dairy Week In Review

Dated December 14, 2022



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Dec)	\$20.53/cwt.	▲ 1.0 %	▼ 2.2 %	▲ 10.6 %
Class IV Milk Price (Dec)	\$21.84/cwt.	▼ 0.3 %	▼ 7.4 %	▲ 9.9 %
Corn (December)	\$ 6.39/bushel	▲ 1.9 %	▼ 4.0 %	▲ 9.0 %
SBean Meal (December)	\$456.0/ton	▼ 1.3 %	▲ 12.3 %	▲ 22.5 %
DMC Margin (Sept)*	\$ 8.62/cwt.	—	▼ 18.6 %	▼ 5.7 %

*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.

- USDA increased its projection for ending corn stocks, with exports lowered by 75 million bushels due to increasing competition. With no other changes, corn ending stocks were lowered by 75 billion bushels. The season-average corn price was lowered by 10 cents to \$6.70 per bushels. Soybean ending stocks were also increased due to lower exports. The soybean price forecast was unchanged at \$14 per bushel, while the soybean meal price forecast was increased to \$410 per ton.
- The Consumer Price Index was up 0.1 percent from a month ago in November, according to the US Bureau of Labor Statistics this morning. The CPI was up 7.1 percent from a year ago, which was the smallest increase this year. The CPI food index was up 0.5 percent from October. The CPI energy index was down 1.6 percent.
- The average dairy price index on the latest Global Dairy Trade auction was up 0.6 percent to \$3,610 per metric ton, marking the second consecutive session-to-session increase. Cheddar cheese prices were up 1.8 percent, while butter prices fell 1.9 percent. Skim milk powder prices were up 1.7 percent and whole milk prices were up 0.1 percent.

Government and Industry:

- Enrollment for the 2023 DMC program year was extended last week to Tuesday, January 31. At the maximum \$9.50 per cwt margin coverage, projections on December 13 show DMC payments each month, January through September. This would amount to around \$8,000 per 1 million pounds of enrolled production history up to the Tier 1, 5-million-pound cap. The DMC online decision tool is currently forecasting a 100% probability of a net benefit to those enrolled in the 2023 DMC program year. To sign up to participate in the 2023 DMC Program, visit your local FSA office before Tuesday, January 31.
- A coalition advocates is pushing the U.S. Senate to pass a bipartisan measure in the last days of its current session that would give undocumented workers a path to citizenship while providing ag operations with year-round labor. National Milk Producers Federation CEO Jim Mulhern says dairy farmers continue to face the same shortage of domestic workers as all of agriculture, but they do not have access to the H-2A farmworker program.
- Cooperatives Working Together announced that it extended 17 offers of cooperative assistance to member cooperatives, helping them capture sales contracts for 1.6 million pounds of American-type cheese and 717,000 pounds of cream cheese. With those sales, CWT-assisted member cooperative year-to-date export sales total 92.1 million pounds of American-type cheeses, 657,000 pounds of butter (82% milkfat), 30.7 million pounds of whole milk powder and 8.8 million pounds of cream cheese. The products are going to 21 countries in six regions. These sales are the equivalent of 1.157 billion pounds of milk on a milkfat basis.