



CENTER FOR  
**Dairy EXCELLENCE**  
**Dairy Week In Review**

Dated December 19, 2019



## Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Dec) **	\$20.39/cwt.	▲ 0.1 %	▼ 4.5 %	▲ 37.3 %
Corn (Dec)	\$3.87/bushel	▲ 8.4 %	▲ 5.7 %	▲ 1.6 %
SBean Meal (Dec)	\$302.9/ton	▲ 3.3 %	▲ 0.1 %	▼ 1.4 %
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.

- US total milk production was up 0.5 percent in November to 17.4 billion pounds, with 27,000 fewer cows than a year ago and 15 pounds more milk per cow. The growth in milk production was slower than what most analysts expected, with the 0.8-percent increase in milk production per cow the lowest year-over-year increase in 2019.
- California's milk production was up 0.7 percent, while Wisconsin was down 1.6 percent with 7,000 fewer cows and 20 pounds less milk per cow. Idaho posted a 3.1 percent increase, while New York was up 2 percent. Texas continued to post significant gains, up 6.9 percent with 30,000 more cows. Michigan was up 1.7 percent, while Minnesota was up 1.1 percent.
- Pennsylvania and Minnesota flipfopped again in ranking, with Pennsylvania outpacing Minnesota in November by 10 million pounds. The Commonwealth's milk production was still down 1.3 percent, marking the lowest year-over-year decrease this year, with cow numbers down 24,000 from a year ago but flat from October and since August. Milk production per cow was up significantly, increasing 55 pounds or 3.4 percent, still 237 pounds below the national average.
- The average price index on the latest Global Dairy Trade auction was down 5.1 percent to \$3,302 per metric ton, marking the most significant auction-to-auction decrease in recent months. A 6.3 percent decline in skim milk powder prices coupled with a 6.7 percent decline in whole milk prices led the decline, with butter down 2.4 percent and Cheddar up 1.7 percent.
- Milk production in the European Union was up in October. EU-28 milk production, excluding Greece, was 12.6 million metric tons, up 0.3 percent from October 2018 but flat from two years ago.
- USDA data shows commercial disappearance for dairy exceeded the five-year average in October. Dry whey was almost double the five-year average at 72.9 million pounds, with highest drawdown since July 2002. Butter had a commercial disappearance of 212.7 million pounds, up significantly from the five-year average of 175.8 million pounds. Nonfat dry milk disappearance was up just 0.1 percent from the five-year average, while total cheese disappearance of 1.13 billion pounds was well above the five-year average of 1.05 billion pounds.

## Government and Industry:

- 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. 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).

## Dairy Opportunity of the Month:

- A well-established family farm in Tioga County, NY, is offering training and mentorship in grass-fed, organic dairying through a paid formal apprenticeship. The owners currently milk 65 cows on 240 acres of pasture and ship certified 100 percent grass-fed organic commodity milk. They are "Master Graziers" certified through the national Dairy Grazing Apprenticeship Program. To learn more, contact PA Farm Link at 717-705-2121 or email [farmland@pafarmlink.org](mailto:farmland@pafarmlink.org). Visit PA Farm Link at [pafarmlink.org](http://pafarmlink.org).