



For Immediate Release

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DECEMBER "PROTECTING YOUR PROFITS" RECORDING NOW AVAILABLE

A Recording of the Monthly Discussion Will Be Available on December 22

Harrisburg, Pa. – The Center for Dairy Excellence will publish a recording of its monthly "Protecting Your Profits" webinar on Thursday, December 22. Led by Zach Myers, Risk Education Manager with the Center, the recording will be available in both webinar and podcast format. It will review current data and updates about the milk marketplace to guide decision-making and risk management strategies.

"With busy schedules around Christmas, we are trying something new with the 'Protecting Your Profits' webinar this month. Instead of offering a live webinar, I will be recording the webinar on Thursday, December 22 and posting it to our website along with the podcast," Myers shared. "We will return to our regular live broadcast on January 25 in the new year."

During the recorded webinar, Myers will highlight export numbers and the latest Class III and IV futures milk price forecasts:

- After somewhat stabilizing through the first part of November, Class III has begun to decline again. As of December 15 closing prices, the 12-month average Class III price is \$19.80 per cwt, 79 cents less than mid-November.
- Class IV continued its months-long decline with a 12-month average price of \$20.39.
- Although average milk prices are down, the current Class III and IV prices remain well above the five-year average prices of \$17.66 and \$16.78, respectively.
- As of October data, U.S. dairy exports have increased for seven consecutive months and are up 9 percent year over year. Nonfat dry milk/skim milk powder posted a year-over-year increase for the first time this year. 2022 exports remain on track to post records for volume and value. Year-to-date export volume is up 4 percent and value is up 25 percent.

In addition, Myers will share updates on Dairy Margin Coverage (DMC) margins. Increased milk prices and slightly decreased DMC feed costs in October resulted in a DMC margin that improved relative to September. The October DMC margin was announced in late November as \$10.71 and does not trigger an indemnity at any coverage. The \$10.71 October margin was a

\$2.08 improvement over September. The online DMC Decision Tool, dated December 15, shows a November margin of \$10.30 and a December margin of \$9.67.

“Earlier this month, the USDA extended the 2023 DMC enrollment period to January 31, 2023. DMC has been a valuable risk management tool, adding a net benefit to enrolled dairy farms each year since the program debuted in 2019,” Myers said. “Margins in 2023 are projected to be much lower than this year, and indemnities are expected from January through August. If you have not yet signed up for DMC, consider enrolling in the program to take advantage of this important program. Enrollment must be completed at your local Farm Service Agency office.”

To access the full recording of the December risk management discussion with an in-depth analysis of these numbers, visit www.centerfordairyexcellence.org/pyp. View the webinar recording to watch from your device or listen to the audio version via the “Protecting Your Profits” podcast.

Join the Center on January 25, 2023 for the next live “Protecting Your Profits” discussion, and find out how these programs and the conventional price risk management tools can fit in to your marketing plan. For more information, call 717-346-0849 or email Myers at zmyers@centerfordairyexcellence.org. All monthly webinars 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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