

CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated December 22, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Dec)	\$15.69/cwt.	▼ 0.7 %	▼ 32.2 %	▼ 23.1 %
Class IV Milk Price (Dec)	\$13.42/cwt.	▼ 0.3 %	▲ 0.6 %	▼ 19.8 %
Com (March)	\$4.40/bushel	▲ 0.3 %	▲ 3.5 %	▲ 13.7 %
SBean Meal (January)	\$412.2/ton	▲ 6.1 %	▲ 5.9 %	▲ 36.1 %
Milk Margin (October)*	\$13.68/cwt.	—	▲ 33.3 %	▲ 4.5 %

**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."*

- Total US milk production climbed 3 percent year over year to 18 billion pounds in November, with production per cow up 2.3 percent or 43 pounds, marking the largest milk yield increase since 2016. The nation's dairy herd also expanded, up 62,000 head from a year ago to 9.41 million head, 12,000 more than in October.
- All eight top producing dairy states saw increases in milk production, with California up 2.6 percent, Wisconsin up 2.7 percent, Idaho up 2 percent, and New York up 2.5 percent. Texas continues to see substantial gains, up 9.8 percent from a year ago, while Michigan was up 3.6 percent and Minnesota was up 3.9 percent. Pennsylvania was up 0.9 percent to 815 million pounds, with 3,000 fewer cows. Milk production per cow in the Commonwealth increased 1.5 percent. Minnesota's increase in both cow numbers and milk per cow pushed the state past Pennsylvania for the month of November.
- Europe's milk production is also climbing, up 1.2 percent in October and up 1.3 percent year-to-date. An increasing milk supply, both domestically and globally, continues to put pressure on milk prices into 2021.

Government and Industry:

- The Center for Dairy Excellence will host a "Mental Health and Wellness" Live Chat on Tuesday, January 12, 2021 from 7 p.m.—8:30 p.m. with Dr. Michael Rosmann from Agricultural Behavior Health for those in Pennsylvania's agriculture industry who may be struggling right now. You do not have to register to participate, and you can call in anonymously to listen if you would like. We will be livestreaming the event on our Facebook and YouTube page, and it will be made available to download as a recording afterwards. To join the discussion, you can click "Join a Meeting" at www.zoom.us and use 881 7109 4287 as the meeting ID and 227335 as the passcode. You can also dial (669) 900-9128 and use the same meeting ID and password listed above to join the call.
- Congress has passed and President Trump is expected to sign two major funding bills that will provide additional relief to the dairy community. Some of the benefits include additional agricultural support payments. The agriculture sector will receive \$13 billion in funding. Most of that sum is allocated for the Agriculture Secretary to provide support to agricultural producers. The relief measure also establishes Supplemental Dairy Margin Coverage payments for smaller farms whose production history is below five million pounds, but whose actual production has increased since 2014. Visit www.nmpf.org/nmpf-thanks-congress-for-dairy-provisions-in-covid-assistance-package/ for more information about the legislative package.

Merry Christmas! 