

CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated December 29, 2020



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Dec)	\$15.70/cwt.	▲ 0.1 %	▲ 3.3 %	▼ 22.9 %
Class IV Milk Price (Dec)	\$13.42/cwt.	—	▼ 1.2 %	▼ 19.8 %
Corn (March)	\$4.66/bushel	▲ 5.9 %	▲ 11.2 %	▲ 19.1 %
SBean Meal (January)	\$415.3/ton	▲ 6.6 %	▲ 5.9 %	▲ 37.8 %
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."*

- Butter stocks fell 16 percent from October to 251.8 million pounds, up 39 percent from a year ago. The month-to-month drawdown was the smallest since 2012, indicating a build-up in butter stocks weighing on the markets. Cheese stocks grew 0.3 percent from October to 1.344 billion pounds, up 1.7 percent from a year ago. American cheese stocks were up 2.7 percent from a year ago, according to latest USDA's Cold Storage report.
- USDA announced the January 2021 Class I base price at \$15.14 per hundredweight, down \$4.73 from December and \$3.87 below a year ago levels. The average Class I base price in 2020 was \$16.91, according to the report released last week.

Government and Industry:

- The Center for Dairy Excellence will host a "Mental Health and Wellness" Live Chat on Tuesday, January 12, 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, which will be held on Tuesday, January 12, 2021 from 7:00 – 8:30 p.m., 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.
- The USDA and the US Department of Health and Human Services released the 2020-2025 Dietary Guidelines for Americans, which reaffirmed dairy's central role in the diet as a provider of essential nutrients often under-consumed in American diets. Highlights of the guidelines include a recommendation of three servings of dairy a day, dairy's continued recognition as a distinct food group, a recognition that Americans are not consuming enough dairy, and a reaffirmation of dairy as a source of four nutrients of public health concern, including potassium, calcium and Vitamin D, as well as iodine for pregnant women. The guidelines also recognized milk, yogurt, and cheese in the first-ever healthy eating patterns geared toward infants and toddlers ages birth to 24 months.
- After a week's delay, President Trump signed the latest Coronavirus Assistance Package put forth by Congress. According to NMPF, the bill includes nearly \$1 billion in targeted support to help dairy farmers who continue to face volatility throughout the pandemic. It includes \$400 million for a new Dairy Donation Program and supplemental Dairy Margin Coverage Payments for farms that have increased their production history since 2014. Dairy producers will also be eligible for support in the \$11 billion ag disaster assistance package included in the bill.

Happy New Year's!