



CENTER FOR
DairyEXCELLENCE

For Immediate Release

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March 14, 2023

JOIN “PROTECTING YOUR PROFITS” MONTHLY WEBINAR ON MARCH 22

The Discussion Will Take Place on March 22 at 12 p.m. and Provide Dairy Market Updates

Harrisburg, Pa. – The Center for Dairy Excellence is hosting its monthly “Protecting Your Profits” webinar on Wednesday, March 22 at 12 p.m. Held the fourth Wednesday of every month and led by Zach Myers, Risk Education Manager with the Center, the webinar will review current data and updates about the milk marketplace to guide decision-making and risk management strategies. Individuals can join via conference call, webinar, or podcast format.

“I have compiled U.S. and Pennsylvania dairy statistics from the February *Milk Production* report. Total milk production was up across the country but down in Pennsylvania. Herd consolidation continued through 2022 as the U.S lost more than 6% of licensed dairy farms, increasing the average herd size in the U.S. as well as locally here in Pennsylvania,” Myers said. “Join me on this month’s ‘Protecting Your Profits’ webinar to take a deeper dive into current markets and risk management opportunities as well as learn more about the final dairy statistics for 2022.”

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

- As of March 13 closing prices, Class III and IV futures have both declined relative to mid-February. At \$18.78 per cwt, the 12-month Class III average is 51 cents less than mid-March. Although domestic and international demand for cheese is relatively strong, increased milk production over the last several months is causing inventories to start building. This puts downward pressure on cheese prices and Class III price.
- The 12-month Class IV average price has fallen 80 cents to \$19.14 per cwt. Butter price is causing sales to back off domestically and internationally. International demand for powder is relatively strong, but like cheese stocks, powder stocks are building as milk production increases.
- January dairy exports started the year off strong with a 16% year-over-year increase in milk solids equivalent volume at 181,676 metric tons, while value increased an additional 21% YOY to \$710.9 million.

In addition, Myers will share updates on Dairy Margin Coverage (DMC) margins. The January DMC margin fell to \$7.94 per cwt, triggering indemnities at the \$8.00, \$8.50, \$9.00 and \$9.50 margin coverages. The DMC feed price increased by 22 cents relative to December 2022 to \$15.16 per cwt. This is the highest DMC feed price since October 2022. The U.S. all-milk price declined by \$1.60 to

\$23.10 per cwt, the lowest milk price in 13 months. At the \$9.50 margin coverage, the January indemnity covers all but 3 cents per cwt of the annual premium. DMC margins are expected to remain below the maximum \$9.50 per cwt margin coverage through September 2023.

To join the risk management discussion and access the information in a format that is most convenient for you, the Center offers the series in a webinar, podcast, and conference call format. There is no cost to participate in the monthly 'Protecting Your Profits' discussion, and no registration is necessary.

Webinar Format

Visit www.centerfordairyexcellence.org/MarchPYP on Wednesday, March 22 at 12 p.m. to launch the webinar. Follow the Center on Facebook or YouTube to watch a live stream on social media as well.

Conference Call Format

Individuals who would prefer to connect via conference call can dial the following number on Wednesday, March 22 at 12 p.m.:

Dial: 1-646-558-8656

Meeting ID: 848 3416 1708

Passcode: 474057

Podcast Format

Visit www.centerfordairyexcellence.org/pyp to listen to the "Protecting Your Profits" podcast and subscribe to get notified when new episodes are released. Episodes are expected to be published after the live webinar and conference call are concluded each month.

Join the Center on March 22 to 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. The webinar will start promptly at noon and last approximately 15 minutes. They 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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