



For Immediate Release

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May 17, 2022

JOIN "PROTECTING YOUR PROFITS" MONTHLY WEBINAR ON MAY 25

The Discussion Will Take Place on May 25 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, May 25 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.

"Milk futures prices seem to be in a correction pattern compared to recent months. Uncertainty of domestic and international demand related to current international events, including spikes in COVID-19 and the conflict in Ukraine, are driving dairy product prices down," said Myers. "Join me on the upcoming 'Protecting Your Profits' webinar to get a closer look at these current market dynamics."

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

- For the first time in several months, Class III and IV milk futures have taken a hit driven by decreased dairy product prices.
- The 12-month average Class III milk price as of May 11 was down \$1.37 per cwt since this time last month.
- The Class IV 12-month average has decreased by \$1.86 per cwt during the same time.

In addition, Myers will share updates on Dairy Margin Coverage (DMC) margins. The March DMC Margin was announced as \$11.55 per cwt and does not trigger an indemnity at any margin coverage for the fourth month in a row. The U.S. all-milk price improved to \$25.90 per cwt, \$1.20 more compared to February to offset a 63 cents per cwt feed cost increase. This improved the overall DMC Margin by 57 cents per cwt.

"Feed prices are expected to remain high for the remainder of the year with significant risk in moving higher. Milk prices seem to be correcting downwards recently, and this will challenge the DMC margin moving forward," Myers shared. "The projected DMC Margin for 2022 has decreased from \$11.80 at the end of January to \$10.98 currently. I plan to share more information on what these trends mean for dairy producers enrolled in the DMC program."

Myers will provide additional updates on the Dairy Revenue Protection (DRP) program to guide decision making by sharing quarterly price floors. DRP policies have been known to set historically high milk price floors. Policies for Q3 2022 through Q3 2023 will be available through June 15, 2022.

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/MayPYP on Wednesday, May 25 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, May 25 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 May 25 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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