



For Immediate Release

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JOIN “PROTECTING YOUR PROFITS” MONTHLY WEBINAR ON AUGUST 24

The Discussion Will Take Place on August 24 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, August 24 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.

“Overall, milk price has been dropping for several months now. Concerns about demand continue to put downward pressure on dairy product and milk prices. Total inflation is at a 40-year high with grocery price inflation over 12%, the highest since 1979,” Myers shared. “We’ll discuss these market trends, and how they might affect your risk management strategy, during this month’s ‘Protecting Your Profits’ webinar.”

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

- The Class III 12-month average milk price at the close of business on August 11 was \$20.98, \$0.80 less than this time last month.
- The Class IV milk price has taken the largest hit over the last month with a 12-month average price of \$20.99 per cwt, \$1.54 less than last month.
- June exports were up 9% YOY. With recent increases in exports, 2022 is on track to surpass the volume and value records set last year.

In addition, Myers will share updates on Dairy Margin Coverage (DMC) margins. The June DMC margin was announced at \$11.92 per cwt. This is 59 cents per cwt. less than June. Increased feed prices coupled with decreased milk price resulted in the lowest DMC margin since it was \$11.55 in March. Feed costs are expected to rise through August before decreasing through the end of the year. However, feed price is expected to remain historically high and average \$14.02 per cwt. for the rest of the year. As of the August 10 update of the DMC Decision Tool, milk price will average \$23.13 per cwt. for August through December 2022, resulting in a projected average DMC margin of \$9.11 per cwt.

“Unfortunately, the U.S. all-milk price is projected to drop more steeply than feed costs and will challenge the margin through the end of the year. The July margin is projected to be the last margin above the maximum \$9.50 per cwt. margin coverage,” Myers added. “Markets are ever-changing,

and I will share additional information on projected DMC margins to help guide your decision-making for the next year.”

Myers will provide additional updates on the Dairy Revenue Protection (DRP) program. Policies for fourth quarter 2022 through fourth quarter 2023 are now available through authorized insurance providers until October 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/AugustPYP on Wednesday, August 24 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, August 24 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 August 24 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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