



For Immediate Release

Media Contact: Emily Barge, 717-346-0849; ebarge@centerfordairyexcellence.org

August 25, 2023

AUGUST “PROTECTING YOUR PROFITS” RECORDING NOW AVAILABLE WITH DAIRY MARKET UPDATES

Watch or Listen Back to Hear Dairy Market Updates From August 2023

Harrisburg, Pa. – The Center for Dairy Excellence has published its monthly “Protecting Your Profits” discussion with updates about the August 2023 milk marketplace. The Center’s Executive Director Jayne Sebright invited Jacob Thompson, who serves as a Dairy Business Advisor for Land O’Lakes, to share his perspective on milk markets, supply factors, and what risk management programs are offering in terms of margin right now.

“Jacob Thompson has a great vantage point and an excellent understanding of milk markets – and how supply factors are impacting dairy producers and the industry at large,” Sebright shared. “With Class III and IV prices starting to rebound from July, we had an insightful conversation that should help guide risk management planning for the next few months.”

View highlights from the August “Protecting Your Profits” discussion:

- July was the first time in 13 months that the US posted a decline in total milk production, with the US milk supply down 0.5 percent from a year ago to 19.075 billion pounds. Herd numbers fell 13,000 head for the nation from a year ago, while milk per cow was down 0.5 percent due to the hotter July temperatures.
- Dairy product stocks are mixed, with July butter inventories up 5 percent from a year ago while cheese inventories were down 2 percent. NFDM and skim milk powder stocks were down from both a year ago and from last month. Commodity prices started to rebound but still remain well below year ago levels, with export sales softening.
- Class III and Class IV price trends are starting to rebound from July lows, with the 12-month average Class III price on the CME at \$18.04 per cwt. and the 12-month Class IV price average at \$18.80 per cwt, as of August 23.

As part of the risk management portion of the conversation, Sebright and Thompson shared the latest Dairy Margin Coverage (DMC) margins. The USDA paid out its largest indemnity yet through the Dairy Margin Coverage Program. The June margin was announced at \$3.65 per hundredweight, resulting in an indemnity of \$5.85. July margins are expected to be lower yet,

with margins rebounding through the remainder of 2023 to come just above the \$9.50 maximum level in December.

To access the “Protecting Your Profits” recording in a format that is most convenient for you, the Center offers the series in a webinar and podcast format each month at no cost. Visit www.centerfordairyexcellence.org/pyp to watch the webinar or listen to the podcast. Subscribe to get notified via a text alert when the recordings are released each month. The September 2023 discussion is expected to be released the last week of the month.

For more information about risk management planning, call the Center at 717-346-0849 or email Sebright at jsebright@centerfordairyexcellence.org.

###

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.

**Center for Dairy Excellence ▼ 2301 North Cameron St., Harrisburg, PA 17110 ▼ 717-346-0849 ▼
www.centerfordairyexcellence.org**