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**Dairy** EXCELLENCE  
**Dairy Week In Review**

Dated October 18, 2023



**Markets:**

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Oct)	\$16.82/cwt.	▼ 0.2 %	▼ 8.0 %	▼ 22.7 %
Class IV Milk Price (Oct)	\$21.59/cwt.	—	▲ 15.1 %	▼ 13.2 %
Corn (December)	\$ 4.89/bushel	▲ 0.2 %	▲ 1.5 %	▼ 27.9 %
SBean Meal (October)	\$399.8/ton	▲ 6.8 %	▲ 0.5 %	▼ 0.5 %
DMC Margin (August)*	\$ 6.46/cwt.	—	▲ 83.5 %	▼ 20.1 %

*\*Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.*

- USDA's latest production numbers indicate we may have hit a floor in what we can expect for feed costs right now. The agency released its World Agricultural Supply and Demand Estimates report last week and cut yield expectations for both corn and soybeans. The average yield per acre for corn was decreased by 0.5 percent from September's estimate to 173 bushels per acre, about six bushels below last year's average yield. This resulted in a 70 million bushel drop in the estimated total production expected for this year's harvest. At the same time, USDA cut beginning stocks by 91 million bushels and ending stocks by 110 million bushels. With a slightly higher concern about a smaller harvest, USDA increased its projected average price for corn by 5 cents to \$4.95 per bushel.
- On the soybean side, USDA dropped average yields by 1 percent to 49.6 bushels per acre. A positive adjustment in beginning stocks helped to compensate for the lower production, leaving ending stocks unchanged from previous estimates. That resulted in no change for either the average soybean or soybean meal prices, projected at \$12.90 per bushel and \$380 per ton, respectively. Prices vary between different geographical regions depending on the availability of those crops in that region. That is projected in the basis, or the difference between the published US price and what that local market is paying for that commodity.
- According to the latest USDA Crop Progress report, dated October 16, 95 percent of the nation's corn crop is in the mature stage, with only about 45 percent of the crop harvested. About 53 percent of the corn crop is rated as good or excellent, with only about 18 percent in the poor to very poor categories. Those numbers are consistent with the previous year. About 97 percent of the soybean crop is now dropping leaves, with 52 percent of the crop in the good or excellent categories. Only about 62 percent of the nation's soybean crop has been harvested, with about 18 percent of the soybean crop in the poor or very poor categories.
- USDA announced the November Class I base price at \$19.75 per hundred-weight, up 28 cents from October but down \$ 4.34 from a year ago. The November price is the third highest this year, trailing only January and February price levels.
- Global food prices are starting to stabilize, according to the latest Food and Agriculture Organization's Food Price Index numbers. September's FFPI was unchanged from August at 121.5, after falling in 16 of the past 18 months. September's FFPI level is 24 percent lower than when it peaked in March 2022 and 10.7 percent lower than it was a year ago. Global dairy prices are also falling, with the Dairy Price Index dropping 2.3 percent to 108.6 points, representing the ninth consecutive decline with the DPI now at its lowest level since the height of the pandemic.
- The USDA Friday announced a two-week extension of the application deadline for the Milk Loss Program (MLP), allowing more time for dairy farmers to apply for weather-related disaster recovery assistance. The new deadline is Monday, Oct. 30. For information, contact your FSA Office.