

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — MAR. 30, 2021 — except where noted

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**SAFETY:** I wanted to take this week's article, as we get into warmer weather prior to the full swing of spring planting, to remind everyone the importance of safety. In addition to the normal dangers associated with working in agriculture, COVID-19 ushered in a new concern relative to the safety and health of farm workers. I have not seen any estimates on how many agriculture workers have tested positive for COVID-19 since the pandemic began, but I would wager that each of you reading this knows of someone who at least had symptoms if not tested positive. The pandemic is still around, and there are still more people not vaccinated than those who have been vaccinated across the state and country. Despite some of the information you may have heard, masks and social distancing practices do make a difference. Please continue to follow Center for Disease Control and state/local guidelines to help protect yourself, your family, friends, and neighbors.

Agriculture is consistently in the top 10 occupations for most work-related deaths from year to year. Each year, the U.S. Bureau of Labor Statistics releases statistics related to injuries, illnesses, and fatalities while on the job. The most recent data reported are from 2019. There were 5,333 work-related fatal accidents across private sector jobs in 2019. Of those fatal accidents, 221 occurred as the result of crop production activities, and 189 were the result of animal production or aquaculture-related activities. Normal dairy-related activities accounted for nearly 8% of all work-related fatal accidents in 2019. The total number of fatalities in the broader agriculture industry resulted in 23.2 fatal accidents per 100,000 full-time equivalent workers or the ninth highest category overall. For comparison, the fatal injury rate across all private sector workers in the U.S. is 3.5 per 100,000. Agriculture-related nonfatal injuries in the broader agriculture industry result in 5.2 injuries per 100 full-time workers, which leads all other categories. 1.7 of these injuries results in missed workdays. This incidence rate is second only to the transportation and warehousing category with 2.0 injuries resulting in lost workdays.

You work in a dangerous job. Fortunately, a lot of incidents can be avoided by staying focused and remembering to pay attention to what you are doing. Many, or perhaps most, accidents happen because of human error. To illus-

trate this point, let me use myself as an example for the story that goes along with the included picture. As I have mentioned before, my family's dairy was in the foothills in the northwestern corner of North Carolina. One of our fields was a small 6-acre field at the top of a paved road where we double cropped corn and triticale. Each spring and fall we would spread manure prior to planting. Even though the road was paved, the hill up to the field was so steep that the operator had to stop at the bottom of the hill and downshift to eighth gear so that the tractor would not stall while pulling a 6,300-gallon load of manure. I learned the hard way that you cannot downshift fast enough to keep the tractor from stalling at its steepest point. On my second to last load of having the field covered, I had other things on my mind and did not remember to stop and downshift prior to ascending the hill. The picture is the result of that mistake. At the back of the tanker where you cannot see is a 15-foot or more almost vertical drop. Thankfully, I was not hurt, nor was the tractor, and insurance covered the costs of repairing the tanker. Others have not been that fortunate. This spring, while you are completing spring fieldwork, keep your mind on what you are doing so that you increase your chances of not becoming a bad statistic for 2021.



Prices change daily. This market information is an example for educational purposes. The market data below are compiled weekly by Farmshine, via CME & USDA reports

## CME DAILY FUTURES & OPTIONS TRADING — MAR. 30, 2021 AT THE CLOSE

	MAR-21	APR-21	MAY-21	JUN-21	JUL-21	AUG-21	SEP-21	OCT-21	NOV-21	DEC-21	JAN-22	FEB-22	TREND
<b>CLASS III MILK FUTURES (\$/CWT)</b> vs. week ago: Apr-Dec 10-30 cents higher; Jan-Feb 10 cents lower. <b>12-Month Avg. 17.78↑</b>	16.20	17.17	17.56	17.83	18.17	18.27	18.46	18.52	18.24	17.88	17.53	17.51	↑↑
<b>CLASS IV MILK FUTURES (\$/CWT)</b> vs. week ago: Apr-Dec 30-60 cents higher; Jan-Feb steady-10 cents higher. <b>12-Month Avg. 16.25↑</b>	14.30	15.45	15.69	16.03	16.24	16.41	16.67	16.89	16.99	16.92	16.70	16.70	↑↑

HIGHEST & LOWEST DAILY SETTLE PRICE FOR CL. III OVER LIFE OF CONTRACT & MONTH / YEAR IT OCCURRED

18.92 01/21	18.22 01/21	18.40 03/21	18.30 03/21	18.30 03/21	18.33 03/21	18.46 03/21	18.52 03/21	18.52 03/21	18.30 03/21	18.00 03/21	17.55 03/21	17.51 03/21
14.62 03/20	14.56 03/20	14.52 03/20	14.31 03/20	14.50 03/20	14.50 03/20	14.50 03/20	14.21 03/20	14.19 03/20	14.50 03/20	14.25 03/20	14.70 03/20	14.70 03/20

MILK BASIS (\$/CWT) — PA BASIS & 2014-16 AVG OF PA/NY/VT/OH	— YOUR INDIVIDUAL BASIS WILL VARY (MAILBOX - CLASS 3)
PA 1.58 1.19 1.60 1.28 1.01 0.85 1.33 1.87 1.70 2.75 2.30 1.81	
*AVG 2.02 1.25 2.14 1.80 1.12 0.90 1.32 1.82 1.65 2.72 2.70 2.25	

DMC OFFICIAL GROSS MARGINS per cwt. (USDA All-Milk, com/alfalfa hay & Illinois soybean prices, feed for all classes of dairy cattle on the farm)
DMC NOV-19 DEC-19 JAN-20 FEB-20 MAR-20 APR-20 MAY-20 JUN-20 JUL-20 AUG-20 SEP-20 OCT-20 NOV-20 DEC-20 *JAN-21
12.21 11.95 10.72 10.06 9.15 6.03 5.37 9.99 12.41 10.83 9.40 11.13 11.87 8.78 *7.14 ↓↓

U.S. AVG MILK MARGIN per 100 lbs milk based on 75-lb herd avg & USDA's All-Milk price, USDA-reported com & alfalfa hay & Ill. soybean prices (lactating feed only)
OCT-19 NOV-19 DEC-19 JAN-20 FEB-20 MAR-20 APR-20 MAY-20 JUN-20 JUL-20 AUG-20 SEP-20 OCT-20 *NOV-20 *DEC-20 *JAN-21
13.98 15.29 14.94 13.86 13.18 12.23 8.77 8.06 12.59 15.04 13.43 12.33 14.44 *15.47 *12.51 *11.08 ↓↓

PA AVG MILK MARGIN per 100 lbs milk based on 75-lb herd average and USDA's PA All-Milk price, USDA com & alfalfa hay & Buff., NY soybean prices (lactating feed only)
13.09 13.76 13.78 13.10 12.20 11.24 8.27 6.79 9.44 12.67 11.10 10.91 11.31 *12.36 *10.53 *10.06 ↓↓

CLASS III MILK (\$/CWT) OPTIONS — PUTS — Daily Strike Price / Premium
16.25 0.01 17.25 0.13 17.50 0.43 17.75 0.56 18.25 0.88 18.25 0.89 18.50 1.00 18.50 1.02 18.25 1.05 17.75 1.00 17.50 1.01 17.50 1.08

CORN (\$/BU) OPTIONS — CALLS	Example Daily Strike Price / Premium	SOYMEAL (\$/TON) OPTIONS — CALLS
MAY-21 SEP-21 DEC-21 MAR-22		MAY-21 JUL-21 OCT-21 DEC-21
5.30 32.70 5.30 26.30 5.00 33.10 5.20 34.70		370 32.80 380 30.70 360 31.65 370 29.05
6.30 02.60 6.40 07.30 6.40 07.50 7.30 07.50		420 04.40 485 03.00 490 04.35 540 03.10

CORN FUTURES (\$/BU)	TREND
MAY-21 JUL-21 SEP-21 DEC-21 MAR-22 MAY-22 JUL-22 SEP-22 DEC-22 MAR-23 MAY-23 JUL-23	
5.642 5.474 4.960 4.774 4.854 4.904 4.924 4.596 4.472 4.540 4.576 4.604	↑↑

SOYMEAL FUTURES (\$/TON)	TREND
MAY-21 JUL-21 AUG-21 SEP-21 OCT-21 DEC-21 JAN-22 MAR-22 MAY-22 JUL-22 AUG-22 SEP-22	
423.2 424.8 419.6 410.7 399.6 397.5 394.2 383.9 380.9 381.0 378.5 374.1	↑↑

PA MILK MARGIN & IOFC—LATEST PSU VALUES — *JAN. 2020	CME DAIRY CASH-SETTLED FUTURES (\$/LB) 03/30/21	SPOT CASH TEND 03/30/21
FEED COST (\$/CWT milk) *JAN. (estimated) *8.15↑↑	MAR APR MAY JUN JUL AUG SEP	
IOFC (\$/COW @ 75 lbs milk) *PREV MO *8.27	1.120 1.160 1.180 1.210 1.225 1.248 1.259	↑↑ 1.1800 ↑↑
PA MILK MARGIN (\$/CWT milk) *YR AGO 7.10	0.549 0.588 0.580 0.560 0.544 0.530 0.525	Mixed 0.6125 ↑↑
	1.613 1.795 1.830 1.850 1.870 1.880 1.900	↑↑ 1.8225 ↑↑
	1.603 1.677 1.716 1.757 1.805 1.824 1.845	↑↑ See Below
	CME SPOT CHEESE: BARRELS 1.4800 / 40 LB BLOCKS 1.7475	↑↑ / ↑↑

*USDA DEC-20, NEW * ALL-MILK BF * MAILBOX	* = NEW ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)	CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW
FL \$23.70 3.76 \$21.50	CL I ADVTT *CL II↑↑ *CL III↑↑ *CL IV↑↑ *ALL-MILK-U.S. *ALL-MILK-PA	WEIGHTED AVG. 4-WK MAR. 1-27, 2021
SE \$22.50 3.79 \$20.71	15.51(APR) *15.07(MAR) *16.15(MAR) *14.18(MAR) *17.10(FEB)↓ *17.40(FEB)↑	PRODUCT VALUE MAKE ALLOW NET
APP \$22.00 4.01 \$20.20		*CHEESE 1.5981 0.2003 1.3978 ↑↑ *PROT 2.6954 ↓↓
NO N/A N/A \$19.42		*BUTTER 1.5898 0.1715 1.4183 ↑↑ *B.FAT 1.7176 ↑↑
MI \$19.90 4.04 \$18.60		*NFDM 1.1169 0.1678 0.9491 ↑↑ *N.FAT 0.9396 ↑↑
IL \$17.70 4.13 \$17.34		*DRYWHEY 0.5537 0.1991 0.3546 ↑↑ *OTHER 0.3652 ↑↑
ND \$19.00 4.09 \$18.43		
MN \$18.70 4.31 \$18.23		
IA \$18.40 4.22 \$17.93		
WI \$18.10 4.10 \$17.88		
PA \$18.30 4.08 \$17.86		
NY \$18.30 4.08 \$17.49		
PA \$18.80 4.08 \$17.49		
VT \$18.50 4.15 \$17.34		
RI \$17.80 4.00 \$16.91		
NDOR \$18.80 4.27 \$16.75		
CA \$19.20 4.05 \$16.63		
TX \$18.00 4.38 \$16.55		
NEKS \$16.70 4.20 \$16.24		
NM \$16.30 3.99 \$15.32		

CATTLE - DAIRY PURPOSES (\$/HD) NORTHEAST (Avg. March 24, 2021 sale New Holland, PA)
COWS: Fresh Bred Springing HEIFERS: Bred Beef x (bred) Springing Open: 300-600 lbs Beef X 600-900 lbs 900-1000 lbs BULLS (1100-1300 lb)
950 710 950 935 700 925 375 N/A 725 N/A 825
MONTH AGO COMPARISON
1075 800 1200 750 N/A 825 350 N/A 400 N/A 990

FED HOLSTEIN STEERS (\$/CWT LIVEWEIGHT)	CURRENT Beef X	WEEK AGO	YR AGO
Choice & Prime 1250-1550 lbs light test	91.00	90.00	86.85 ↑↑
BULL CALVES: No. 1 & 2, 90-130 lbs	110.00 205.00	110.00	80.00 Steady
70-85 lbs	105.00 N/A	120.00	63.00 ↓↓

PULL MARKET COWS (\$/CWT LIVEWEIGHT)
Premium White Breakers Boners Lean
64.10↓ 61.75↑ 52.25↑
WEEK AGO
67.60 60.35 45.85
YEAR AGO
66.60 66.50 57.85

Avg. of prices reported by USDA Market News for PULL Auction Markets Mar. 25-30, 2021
Price averages do not include lower-end

Average to high dressing
N/A
N/A

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