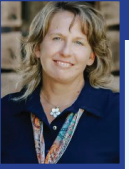


CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — MAY 22, 2024 — except where noted



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U.S. milk production down again: Total milk production in the US was down again in April, falling 0.4% from a year ago to 19.135 billion pounds, the lowest U.S. production level in April since 2020. On the positive side, production per cow was up 9 pounds to 2,049 pounds per cow. The number of milk cows in the U.S. fell 74,000 head below year ago at 9.34 million head, down 8,000 head from last month. The nation's dairy herd is now at its smallest since September 2019. Milk production across the top 24 milk producing states was mixed, with South Dakota and Florida posting the biggest gains, at 12.3 and 11.4% increases, respectively.

Of the top 8 dairy producing states, California's milk production was fairly flat, increasing 0.2% with 15 pounds more milk per cow but 9,000 fewer cows in the Golden State. Wisconsin's milk production was up 2.5%, with 45 pounds more milk per cow and 4,000 more cows. Idaho down 0.1% with flat milk production per cow and 1,000 fewer cows. Slipping to 4th spot, Texas was down 3.3% with 55 pounds less milk per cow and 5,000 fewer cows. Michigan was up 0.5% in total milk production, while Minnesota's production fell by 0.2%. Pennsylvania's milk production was down 0.5%, with milk production per cow flat and 1,000 fewer cows than a year ago.

With milk supply continuing to tighten, milk margins are looking more positive for producers. Earlier this month, USDA released its World Agricultural Supply and Demand Estimates, increasing the All-Milk price for 2024 to \$21.20 per cwt., up 30 cents from the previous estimate and nearly \$1 above 2023 levels. Class III milk prices continue to strengthen as well, with CME Class III milk futures for the next four months up about \$2 from where they were in April. Class IV prices remain fairly strong, averaging between \$20 and \$22 per cwt for the remainder of the year.

The nation's dairy herd continues to decline in size, even though dairy cow slaughter is down. In the latest USDA Livestock Slaughter report, dairy cow slaughter fell 61,600 head, or 20.2%, from a year ago to 244,600 head in March. Year to date, dairy cow slaughter is about 123,000 below last year's levels. Those who are culling cows are experi-

encing record high prices right now, with the average price per hundredweight at \$110 - \$120. Dairy heifer inventories across the nation were last reported in January and were at their lowest level since 2004.

In early May, USDA released a new rule requiring the use of electronic identification ear tags as official identification in cattle and bison. The new rule pertains to cattle engaged in interstate travel that fall within certain sectors of the livestock industry. All female dairy cattle of any age and male dairy cattle born after March 11, 2013, are included within this new ruling. USDA estimates that about 11% of the nation's livestock herd will be affected by this new rule, since many cattle never cross state lines.

On this week's Dairy Industry and HPAI call, Nick Jennings, who works in animal disease traceability with the Bureau of Animal Health at Pennsylvania Department of Agriculture, provided a summary of the new rule, which will take effect late this fall.

To listen to the call and hear Nick's review, go to centerfordairyexcellence.org/HPAI-dairy-industry-calls/.

Nick shared that electronic identification tags are being made available to producers at no cost through Dairy Herd Improvement organizations and veterinarians. Anyone who would like to request EID tags for their animals can email the department directly at ra-premise-id@pa.gov. You can also call Nick Jennings to learn more at 717-884-1613. Tags can also be ordered online at www.pada.pa.gov/PremisesRegistration/RfID/.

The Center for Dairy Excellence will be transitioning its weekly HPAI in Dairy conference calls to a monthly HPAI in Dairy call, which will be held on the second Wednesday of every month. The next call will be held on Wednesday, June 12, at 1 p.m.

More information on that call will be provided in future weeks. In the meantime, producers can continue to request biosecurity resource kits to enhance biosecurity protocols on their dairy by calling 717-346-849 or by emailing info@centerfordairyexcellence.org.

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 — MAY 22, 2024 AT THE CLOSE



MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	TREND
CLASS III MILK FUTURES (\$/CWT) vs. wk ago: May24 down \$0.15; Jun24 down \$0.90; Jul-Nov24 down \$0.10-0.40; Dec24-Apr25 up \$0.10-0.30. 12-Month Avg. 19.07 ↓↓												
18.46	19.90	19.90	19.67	19.54	19.38	19.22	18.86	18.40	18.40	18.58	18.55	MIXED
CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: May24 up \$0.05, Jun-Dec24 up \$0.50-0.70; Jan-Apr25 up \$0.15-0.35. 12-Month Avg. 21.45 ↑↑												
20.41	21.34	21.71	22.11	22.22	22.42	22.40	21.61	20.90	20.81	20.85	20.63	↑↑

MILK BASIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST & MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY																								
Mailbox	18.52	18.15	18.68	18.38	18.65	18.35	18.62	18.41	19.27	18.75	20.20	19.76	20.58	20.17	20.25	19.64	19.22	18.75	18.82	18.25	18.96	18.48	18.64	18.27
Class III	17.33	17.33	18.16	18.16	18.16	18.16	17.59	17.59	17.60	17.60	18.72	18.72	19.07	19.07	17.30	17.30	16.81	16.81	16.03	16.03	16.98	16.98	17.31	17.31
BASIS	1.19	0.82	0.52	0.22	0.49	0.19	1.03	0.82	1.67	1.15	1.48	1.04	1.51	1.10	2.95	2.34	2.41	1.94	2.79	2.22	1.98	1.50	1.33	0.96



CORN FUTURES (\$/BU)												
JUL-24	SEP-24	DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	TREND
4.674	4.780	4.910	5.030	5.104	5.156	4.956	4.970	5.066	5.132	5.176	4.896	↑↑
WEEK AGO												
4.674	4.780	4.910	5.030	5.104	5.156	4.956	4.970	5.066	5.132	5.176	4.896	



SOYMEAL FUTURES (\$/TON)												
JUL-24	AUG-24	SEP-24	OCT-24	DEC-24	JAN-25	MAR-25	MAY-25	JUL-25	AUG-25	SEP-25	OCT-25	TREND
378.2	373.8	371.2	369.9	372.3	372.8	370.4	368.9	369.2	367.6	365.5	362.1	↓↓
WEEK AGO												
373.3	371.8	371.2	370.8	373.1	373.8	372.3	371.9	373.1	371.8	369.9	366.6	

U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report																
JAN-23	FEB-23	MAR-23	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	*APR-24	
266.60	297.25	277.00	290.00	292.86	244.27	254.92	243.50	238.50	217.82	240.41	231.70	254.85	224.50	205.02	*220.17	↑↑


DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm) Updated with NEW prem. alfalfa feed cost																	
DMC	NOV-22	DEC-22	JAN-23	FEB-23	MAR-23	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	*MAR-24
	10.89	9.76	7.94	6.19	6.08	5.84	4.83	3.65	3.52	6.46	8.44	9.44	9.58	8.44	8.48	9.44	*9.65 ↑↑
ALL MILK	25.60	24.70	23.10	21.60	21.10	20.70	19.30	17.90	17.40	19.70	21.00	21.60	21.70	20.60	20.10	20.60	20.70
FEED \$	14.71	14.94	15.16	15.41	15.02	14.86	14.47	14.25	13.88	13.24	12.56	12.16	12.12	12.16	11.62	11.16	11.05

DAIRY COMMODITIES - GLOBAL DAIRY TRADE BIWEEKLY INTERNET AUCTION 05/21/24*												
GDT QUOTES AVERAGE OF FORWARD CONTRACTS 1-6 mos. forward, per metric ton												
ALL-PRODUCT INDEX	3861	↑↑ 3.3%	BUTTERMILK POWDER		N/A	N/A						
WHOLE MILK POWDER (WMP)	3408	↑↑ 2.9%	BUTTER		6931	↑↑ 5.1%						
SKIM MILK POWDER (SMP)	2629	↑↑ 3.5%	CHEDDAR (BULK)		4239	NO CHANGE						
ANHYDROUS MILKFAT (AMF)	7365	↑↑ 3.5%	MOZZARELLA (BULK)		4215	↑↑ 9.8%						
			LACTOSE		795	↑↑ 8.1%						


U.S. CME CASH MARKET (\$/LB) 05/22/24*												
CME QUOTES LAST DAILY SPOT BID, OFFER, SALE												
GRADE A NFDM	Mon-Wed Ids	14	1.1725	↑↑								
DRY WHEY	Mon-Wed Ids	12	0.3950	↑↑								
BUTTER	Mon-Wed Ids	5	3.1125	↑↑								
CHEDDAR	40 LB BLOCKS	25ids	1.8400	↓↓								
	500 LB BARRELS	8ids	2.0300	↑↑								

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)					NASS ALL-MILK	
*CL I ADV	↑↑CL II	↑↑CL III	↑↑CL IV	ALL-MILK-U.S.	ALL-MILK-PA	
*20.08(JUN)	20.23(APR)	15.50(APR)	20.11(APR)	20.70(MAR)↑↑	21.70(MAR)↓	
MONTH AGO						
18.46	20.12	16.34	20.09	20.60 4.30F	21.90 4.19F	
YEAR AGO						
18.01	19.20	18.52	17.95	21.10 4.19F	21.70 4.14F	

CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW												
WEIGHTED AVG. 4-WK APR. 1-27, 2024												
PRODUCT	VALUE	MAKE ALLOW	NET	APR. 2024								
CHEESE	1.5478	0.2003	1.3475	↓↓	PROT	0.8345	↓↓					
BUTTER	2.9220	0.1715	2.7505	↑↑	B.FAT	3.3309	↑↑					
NFDM	1.1506	0.1678	0.9828	↓↓	N.FAT	0.9730	↓↓					
DRYWHEY	0.4289	0.1991	0.2298	↓↓	OTHER	0.2367	↓↓					



U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report															
JAN-23	FEB-23	MAR-23	APR-23	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	*APR-24
1250	1352	1342	1330	1400	1559	1502	1540	1500	1741	2108	N/A	1635	N/A	N/A	N/A
U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report or Quarterly NASS Ag Prices															
1436	1487	1493	1544	1469	1792	1615	1634	1643	1830	1988	N/A	1792	N/A	N/A	*2120 ↑↑




CATTLE - DAIRY PURPOSES(\$/HD)

USDA Reports, little data available, Northeast, Southeast, Mideast, Midwest dispersal & auction report averages (4-week avg May 8)

FRESH HEIFERS:										Bred				Springing	Beef x	Open: 300-600 lbs	Beef X	600-900 lbs	Beef X	900-1100 lbs	BULLS(800-1300lbs)						
2600		1950		2350		2400		950		1075		N/A		N/A		1550											
1720 (NASS)										1400		1650		1300		600		925		1300		1300					
PA Auction Markets May 16-21, 2024																											
CULL MARKET COWS (\$/CWT LIVEWEIGHT)										FED HOLSTEIN STEERS (\$/CWT LIVEWEIGHT)										CURRENT		Hol x Beef		WEEK AGO		YR AGO	
Premium White		Breakers		Boners		Lean		Choice & Prime 1250-1550 lbs light test								157.25LTD		177.10		153.00 182.25		140.00					
								BULL CALVES: No. 1 & 2, 90-130 lbs								610.00		1000.00		630.00 950.00		370.00					
								70-85 lbs								620.00		1080.00		675.00 1075.00		325.00					
WEEK AGO																											
N/A		129.10		121.35		118.85																					
YEAR AGO																											
N/A		103.85		98.85		93.10																					

Price averages do not include lower-end 'common'

Average to high dressing




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