

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — MAY 22, 2024 — except where noted

**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/](http://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](mailto: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/](http://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](mailto: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 |       |       |       |       |       |       |       |       |       |       |       |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>CLASS III MILK FUTURES (\$/CWT) vs. wk ago:</b> <i>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 ↓↓</i> | 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 |       |       |       |       |       |       |       |       |       |       |       |
| <b>CLASS IV MILK FUTURES (\$/CWT) vs. wk ago:</b> <i>May24 up \$0.05, Jun-Dec24 up \$0.50-0.70; Jan-Apr25 up \$0.15-0.35. 12-Month Avg. 21.45 ↑↑</i>                           | 20.41  | 21.34  | 21.71  | 22.11  | 22.22  | 22.42  | 22.40  | 21.61  | 20.90  | 20.81  | 20.85  | 20.63  | ↑↑    |       |       |       |       |       |       |       |       |       |       |       |
| <b>MILK BASIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST &amp; MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY</b>   |        |        |        |        |        |        |        |        |        |        |        |        |       |       |       |       |       |       |       |       |       |       |       |       |
| 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  |

|                                 | 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 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| <b>CORN FUTURES (\$/BU)</b>     | 4.674  | 4.780  | 4.910  | 5.030  | 5.104  | 5.156  | 4.956  | 4.970  | 5.066  | 5.132  | 5.176  | 4.896  | ↑↑    |
| <b>SOYMEAL FUTURES (\$/TON)</b> | 378.2  | 373.8  | 371.2  | 369.9  | 372.3  | 372.8  | 370.4  | 368.9  | 369.2  | 367.6  | 365.5  | 362.1  | ↓↓    |

|  | 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 |    |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|----|
| <b>U.S. AVG PREMIUM ALFALFA &amp; ALFALFA/GRASS HAY 20-22% CP</b> - Source: USDA Monthly National Dairy Comprehensive Report | 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  | 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 |    |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|----|
| <b>DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa &amp; Ill. soybean, feed for ALL CLASSES of dairy cattle on farm) Updated with NEW prem. alfalfa feed cost</b> | 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*      | U.S. CME CASH MARKET (\$/LB) 05/22/24*             | USDA JAN-24 NEW*            |
|---|--|-----------------------------|
| <b>GDT QUOTES AVERAGE OF FORWARD CONTRACTS</b> 1-6 mos. forward, per metric ton | <b>CME QUOTES LAST DAILY SPOT BID, OFFER, SALE</b> | <b>ALL-MILK BF *MAILBOX</b> |
| ALL-PRODUCT INDEX 3861 ↑↑ 3.3%  | GRADE A NFDM Mon-Wed Ids 14 1.1725↑↑               | FL \$24.60 3.97 \$23.35     |
| WHOLE MILK POWDER (WMP) 3408 ↑↑ 2.9%  | DRY WHEY Mon-Wed Ids 12 0.3950↑↑                   | SE \$24.40 4.14 \$22.34     |
| SKIM MILK POWDER (SMP) 2629 ↑↑ 3.5%   | BUTTER Mon-Wed Ids 5 3.1125↑↑                      | APP \$22.00 4.23 \$21.64    |
| ANHYDROUS MILKFAT (AMF) 7365 ↑↑ 3.5%  | CHEDDAR 40 LB BLOCKS 25 Ids 1.8400↓↓               | ENGL \$22.00 4.37 \$21.19   |
|   | 500 LB BARRELS 8 Ids 2.0300↑↑                      | *Pheat \$21.30 4.24 \$20.57 |
|   |  | *IN \$21.60 4.23 \$20.46    |
|   |  | *OH \$21.10 4.21 \$20.44    |
|   |  | *NY \$21.60 4.32 \$20.24    |
|   |  | *Pawestern PA only \$20.02  |
|   |  | *MO N/A N/A \$19.96         |
|   |  | *IL \$19.90 4.36 \$19.51    |
|   |  | *MI \$20.40 4.26 \$19.27    |
|   |  | *U.S. \$20.10 4.35 \$19.14  |
|   |  | *WAOR \$21.90 4.49 \$18.99  |
|   |  | *CA \$20.00 4.28 \$18.52    |
|   |  | *TX \$20.50 4.51 \$18.38    |
|   |  | *NEKS \$19.40 4.51 \$18.35  |
|   |  | *WI \$18.00 4.29 \$18.00    |
|   |  | *MN \$18.80 4.80 \$17.98    |
|   |  | *IA \$18.30 4.50 \$17.88    |
|   |  | *NM \$19.00 4.22 \$17.67    |

| ANNOUNCED FEDERAL ORDER PRICES (\$/CWT) | NASS ALL-MILK | CURRENT FEDERAL ORDER VALUES (\$/LB) * = *NEW |               |              |              |
|---|---------------|---|---------------|--------------|--------------|
| *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)↑↑ |
|   |               |   | 4.28F         | 4.19F        |              |
| 18.46                                   | 20.12         | 16.34   | 20.09         | 20.60 4.30F  | 21.90 4.19F  |
|   |               |   | YEARAGO       |              |              |
| 18.01                                   | 19.20         | 18.52   | 17.95         | 21.10 4.19F  | 21.70 4.14F  |

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

| CATTLE - DAIRY PURPOSES(\$/HD) USDA Reports, little data available, Northeast, Southeast, Mideast, Midwest dispersal & auction report averages (4-week avg May 8) |
|---|
| <b>FRESH HEIFERS:</b> Bred Springing Beef x Open: 300-600 lbs Beef X 600-900 lbs Beef X 900-1100 lbs  |
| 2600 1950 2350 2400 950 1075 N/A N/A 1550   |
| 1720 (NASS) 1400 1650 1300 600 925 1300 1300  |
| <b>PA Auction Markets May 16-21, 2024</b>   |
| <b>CULL MARKET COWS (\$/CWT LIVELWEIGHT)</b>  |
| Premium White Breakers Boners Lean  |
| 129.75↑↑ 120.10↓↓ 119.75↑↑  |
| WEEK AGO  |
| 129.10 121.35 118.85  |
| YEAR AGO  |
| 103.85 98.85 93.10  |
| <b>FED HOLSTEIN STEERS (\$/CWT LIVELWEIGHT)</b>   |
| Choice & Prime 1250-1550 lbs light test   |
| 157.25LTD 177.10 153.00 182.25 140.00 ↑↑  |
| <b>BULL CALVES:</b> 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 ↓↓   |

Price averages do not include lower-end common  
Average to high dressing

brought to you by:

# Markets

| Livestock Auction | May 21, 2024 |
|-------------------|--------------|
| Orchard           | 3.50-4.00    |
| Grass             | 1.00-6.25    |
| Straw             | 3.50-5.50    |

| Middleburg Auction | May 14, 2024 |
|--------------------|--------------|
| Grass              | 105-185      |
| Mixed hay          | 22.50-225    |
| Straw              | 135          |
| Ear corn           | 115-125      |
| By the bale        | 35           |

| Morrison's Cove Auction | May 20, 2024 |
|-------------------------|--------------|
| Grass                   | 250-350      |
| Round bales             | 260          |

| Wolgemuth Auction | May 20, 2024 |
|-------------------|--------------|
| Mixed hay         | 125-395      |
| Timothy           | 95-320       |
| Grass             | 25-250       |
| Straw             | 155-230      |
| Orchard           | 230-385      |
| Corn fodder       | 150          |

| Dewart Auction       | Dewart, Pa. May 20, 2024 |
|----------------------|--------------------------|
| Cattle: 174          |                          |
| Slaughter cattle:    |                          |
| Steers:              |                          |
| HiCho & Prm          | 184-187                  |
| Choice               | 170-180                  |
| Holstein steers:     |                          |
| Choice               | 150-158                  |
| Select               | 130                      |
| Slaughter cows:      |                          |
| PrmWht 65-75% lean   | 122-134                  |
| Breakers 75-80% lean | 117-122                  |
| Boners 80-85% lean   | 110-117                  |
| Lean 85-90% lean     | 94-113                   |
| Feeder cattle:       |                          |
| Steers:              |                          |
| M/L-1-2              | 155-220                  |
| Holstein steers:     |                          |
| L-3                  | 165-227                  |
| Heifers:             |                          |
| M/L-1-2              | 240                      |
| Bulls:               |                          |
| M/L-1-2              | 177-220                  |
| Calves: 402          |                          |
| Feeder calves:       |                          |
| #1 Hol bulls         | 530-750                  |
| #2 Hol bulls         | 475-590                  |
| #3 Hol bulls         | 310-400                  |
| Utility bulls        | 30-70                    |
| Hol heifers          | 375-450                  |

| Greencastle Livestock | Greencastle, Pa. May 20, 2024 |
|-----------------------|-------------------------------|
| Cattle: 601           |                               |
| Slaughter cattle:     |                               |
| Steers:               |                               |
| HiCho & Prm           | 189-200                       |
| Choice                | 183-187                       |
| Select                | 168-184                       |
| Holstein steers:      |                               |
| HiCho & Prm           | 163-165                       |
| Choice                | 158-159                       |
| Select                | 149-150                       |
| Heifers:              |                               |
| Choice                | 183-188                       |
| Slaughter cows:       |                               |
| Breakers 75-80% lean  | 119-128                       |
| Boners 80-85% lean    | 105-118                       |
| Lean 85-90% lean      | 84-105                        |
| Slaughter bulls       | 140-160                       |
| Feeder cattle:        |                               |
| Steers:               |                               |
| M/L-1                 | 175-305                       |
| M/L-2                 | 250-260                       |
| Holstein steers:      |                               |
| L-3                   | 155-230                       |
| Heifers:              |                               |
| M/L-2                 | 185-256                       |
| Bulls:                |                               |
| M/L-1                 | 152-295                       |
| Calves: 310           |                               |
| Feeder calves:        |                               |
| #1 Hol bulls          | 600-730                       |
| #2 Hol bulls          | 500-590                       |
| #3 Hol bulls          | 380-410                       |
| Utility bulls         | 75-130                        |
| #1 Hol heifers        | 560-580                       |
| #2 Hol heifers        | 480-540                       |

| Morrison's Cove | Martinsburg, Pa. May 20, 2024 |
|-----------------|-------------------------------|
| Cattle: 55      |                               |
| Steers:         |                               |
| Choice          | 168-180                       |
| Good            | 160-165                       |
| Heifers:        |                               |
| Choice          | 170-178                       |
| Good            | 135-150                       |
| Cows:           |                               |
| Util/Commercial | 105-120                       |
| Can/LoCut       | 70-115                        |
| Feeder cattle:  |                               |
| Steers          | 130-250                       |
| Bulls           | 140-230                       |
| Heifers         | 130-230                       |
| Calves: 100     |                               |
| Standard        | 50-150                        |
| Hol bulls       | 300-670                       |
| Hol heifers     | 150-400                       |

| Wyalusing Livestock | Wyalusing, Pa. May 20, 2024 |
|---------------------|-----------------------------|
| Holstein calves:    |                             |
| 70-89 lbs.          | 2.50-5.25                   |
| 90-110 lbs.         | 2.85-5.50                   |
| Feeder cattle:      |                             |
| 200-300 lbs.        | 2.00-3.50                   |
| 301-500 lbs.        | 1.25-2.50                   |
| 501-700 lbs.        | 1.00-1.90                   |

| Hosking Sales | New Berlin, N.Y. May 20, 2024 |
|---------------|-------------------------------|
| Cattle:       |                               |
| Dairy cows    | .95                           |