

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — JULY 31, 2024 — except where noted

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**Supply and demand, a look at June data:** Looking at June's NASS Cold Storage report, butter stocks, in all warehouses, came in at 373,546,000 pounds, which was down 2% month over month and up 7% year over year. From December 2023 to May 2024, butter stocks trended upward from 199,530,000 pounds to 379,750,000 pounds. June 2024 butter stocks were approximately 50% lower than 1992's record high of 746,994,000 pounds. From 2023 to 2024, butter stocks continue to build.

June 2024 total natural cheese stocks closed out at a total of 1,423,284,000 pounds, down from June 2023 by 6% and May 2024 by 1%. June's total natural cheese stocks are 6% lower than 2023's record high of 1,510,341,000 pounds. From November 2023 at 1,436,634,000 pounds, natural cheese stocks increased steadily to February 2024 at 1,458,258,000 pounds. From February through June, cheese stocks continued to trend downward.

Regionally, the MidAtlantic American cheese stocks were 66,890,000 pounds, down 15% year over year and 4% month over month. Looking just north to New England, American cheese stocks came in at 75,987,000 pounds, up 1% year over year. The East North Central regions lead the country in American cheese stocks at 356,331,000 pounds, down 2% from last year and relatively unchanged from May.

May 2024 non-fat dry milk (NDFM) stocks were 319,300,000 pounds, which was consistent with May 2023's 300,340,000 pounds. However, from April 2024 to May 2024, NDFM stocks increased by 7%. June 2024's NDFM stock numbers will be available once the monthly NASS Dairy Product report is released.

Based on the NASS Milk Production report, U.S. milk production for the April through June quarter closed out at 57.5 billion pounds, 0.8% decrease from last year's April through June quarter. In the same quarter, the U.S. average milk cow numbers were estimated at 9.33 million head, down slightly from the previous quarter and a 76,000 head decrease from last year's April through June quarter. June production was estimated at 18.8 billion pounds, down 5% month over month and 1% year over year. Milk cow numbers closed out at 9,335,000, down only slightly from June

2023 at 9,397,000. Milk per cow also remains consistent with last year with June 2024 at 2,010 pounds and June 2023 at 2,016 pounds. Overall, U.S. milk production remains tight.

Down 0.8% from both May 2024 and June 2023, June 2024's 24 major state total milk production reached 18.0 billion pounds. The 24-state milk cow numbers came in at 8.89 million head, 37,000 head less than June 2023. Production per cow was down 8 pounds from June 2023 at 2,033 pounds to 2024 at 2,025 pounds. California leads the 24 major states with 3.4 billion pounds with Wisconsin not far behind at 2.7 billion pounds.

Pennsylvania's June 2024 milk production represents 4.3% of the U.S. milk production, which over the past year has remained largely consistent. June milk production was down 2.2% year over year from 825 million pounds to 807 million pounds. Monthly milk production fluctuated over the past year, peaking in March 2024 at 870 million pounds. Milk cow numbers were estimated at 465,000 head, relatively unchanged from June 2023 at 466,000. However, ten years ago, June 2014's cow numbers totaled 530,000 head, marking a 12% decrease over the past decade. Milk per cow dropped slightly from June 2023's 1,770 pounds to June 2024's 1,735 pounds, a 2% decrease. From June 2014 at 1,664 pounds, milk per cow increased 4% to June 2024. While Pennsylvania milk production and cow numbers decreased over the years, production per cow increased.

For an in-depth look at the feed markets and insight on managing feed price risk, tune in on August 9 from 12pm to 1pm to the Center for Dairy Excellence's "Protecting Your Profits" webinar titled "The Read on Feed Markets." Ever.Ag's Kathleen Wolfely and Bryce Windecker will cover key feed commodity updates, Northeast basis trends, and ways for livestock producers to handle feed risk. Under "Upcoming Events" on the Center's website, www.centerfordairyexcellence.org, you can add it to your calendar. You can watch the recording on our website, or the podcast episode will be available on Spotify, Apple Music, and Amazon Music.

## CME DAIRY FUTURES & OPTIONS TRADING — JULY 31, 2024 AT THE CLOSE

	AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	TREND											
<b>CLASS III MILK FUTURES (\$/CWT) vs. wk ago:</b> \$0.10-0.25 higher across the board, except Sep-Oct24 and May25 down \$0.03-0.05.	20.53	21.24	21.12	20.60	19.82	19.14	18.75	18.55	18.39	18.21	18.38	18.55	12-Month Avg. 19.44 NC ↑↑											
<b>CLASS IV MILK FUTURES (\$/CWT) vs. wk ago:</b> Firm to as much as \$0.25 higher across the board.	21.57	21.75	21.82	21.47	21.00	20.80	20.65	20.81	20.48	20.36	20.20	20.07	12-Month Avg. 20.92NC ↑↑											
<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>	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	18.52	18.15	18.68	18.38	18.65	18.35
Mailbox	17.59	17.59	17.59	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60	17.60
Class III	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	1.19	0.82	0.52	0.22	0.49	0.19
BASIS																								

	SEP-24	DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	TREND					
<b>CORN FUTURES (\$/BU)</b>	3.832	399.6	4.162	4.272	4.352	4.392	4.450	4.564	4.630	4.670	N/A	N/A	↓					
<b>SOYMEAL FUTURES (\$/TON)</b>	354.2	327.8	314.5	316.2	317.0	317.8	319.9	323.6	323.4	323.5	N/A	N/A	↓					
<b>U.S. AVG PREMIUM ALFALFA &amp; ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report</b>																		
MAR-23	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	175.00	*JUN-24	*211.69	↑↑

DMC	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	MAY-24	*JUN-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>	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	9.60	*10.52	↑↑
ALL MILK	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	20.50	22.00	↑↑
FEED \$	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	10.90	11.48	↑↑

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 07/16/24	U.S. CME SPOT DAILY (\$/LB) 07/31/24	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 7/27/24*
<b>Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB</b>	<b>Mon-Wed Lds</b>	<b>FMMO PROD</b>
NEXT GDT AUCTION 08/06/24	Spot price	MIL. LBS
SKIM POWDER (SMP) 1.1642 ↑ 1.1%	Weekly Avg	WTD AVG \$
ALL-PRODUCT INDEX 1.7410 ↑↑ 0.4%	NFDML 20 1.2450 ↑↑ 1.2442 ↑	NFDML 19.8 1.1866 ↓
BUTTER 2.9972 ↑↑ 0.8%	BUTTER 26 3.1275 ↑↑ 3.1058 ↑↑	BUTTER 3.6 3.1026 ↓
MILKFAI (AMF) 3.0690 ↑↑ 4.0%	CHEDDAR-40 3 1.9150 ↑↑ 1.9383 ↑↑	CHDSE-40 9.4 1.9482 ↓
BUTTERMILK POWDER N/A	CHEDDAR-500 3 1.9750NC 1.9592 ↑	CHDSE-500 11.3 1.9533 ↑
MOZZARELLA (BULK) 1.9170 ↓ 0.8%	DRY WHEY 3 0.6200 ↑↑ 0.6033 ↑↑	DRY WHEY 5.4 0.4605 ↑↑
WHOLE POWDER (WMP) 1.4256 ↓ 1.6%		

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	WEIGHTED AVG. 4-WK JULY 1-27, 2024	*JULY 2024						
21.32(AUG)	*21.82(JUL)	*19.79(JUL)	*21.31(JUL)	*22.80(JUN) ↑↑	*23.30(JUN) ↑↑	PRODUCT VALUE	MAKE ALLOW	NET	*COMMODITIES				
				4.10F	4.01F	*CHEESE	1.9717	0.2003	1.7714	↓	*PROT	1.9466 ↓	
						*BUTTER	3.1211	0.1715	2.9496	↑↑	*B.FAT	3.5720 ↑↑	
						*NDFM	1.1930	0.1678	1.0252	↑↑	*N.FAT	1.0149 ↑↑	
						*DRYWHEY	0.4487	0.1991	0.2496	↑↑	*OTHER	0.2571 ↑↑	

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report													
MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	*JUN-24
1400	1559	1502	1540	1500	1741	2108	N/A	1635	N/A	N/A	N/A	2115	*2016 ↓↓
U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report													
MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	*JUN-24
1469	1792	1615	1634	1643	1830	1988	N/A	1792	N/A	N/A	2120	2254	*1624 ↓↓

CATTLE - DAIRY PURPOSES (\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of July 29, 2024											
*MILK COWS (NASS) U.S. Avg.	HEIFERS	FRESH	Springing	Bred	Beef x	OPEN: 300-600 lbs	Beef X	600-900 lbs	Beef X	900-1100 lbs	BULLS (800-1300lbs)
\$2360 JUL-24 ↑↑	\$2120 APR-24	2900	2500	2000	2200	900	1500	1550	N/A	1800	1600
\$1760 JUL-23	\$1720 APR-23	1550	1550	1525	1000	575	N/A	1000	N/A	1000	1200

PA Auction Markets July 25-30, 2024				FED STEERS (\$/CWT LIVE)				BULL CALVES: No. 1 & 2, 90-130 lbs						
CULL MARKET COWS (\$/CWT LIVELWEIGHT)				Choice & Prime	1250-1550 lb	Holstein	166.00 ↑↑	Beef-X-Dairy	187.25 ↓↓	WK AGO	160.00	189.25	YR AGO	
Premium White	Breakers	Boners	Lean			675.00 ↑↑	1050.00 ↑↑			625.00	885.00	285.00	575.00	
137.75 ↓↓				129.25 ↓↓				117.10 ↓↓						
WEEK AGO				YEAR AGO										
N/A				140.10				131.50				143.50		N/A
N/A				110.25				95.35				86.25		