

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — SEPT. 11, 2024 — except where noted



JAYNE SEBRIGHT
Executive Director, CDE
717.346.0849
jsebright@centerfordairyexcellence.org



A reminder to be safe: The National Safety Council always earmarks the third week in September as National Farm Safety and Health Week. The annual promotion was first an initiative by President Franklin D. Roosevelt in 1944 to remind the farm community to prioritize safety. As farm equipment has gotten much larger and farm practices have gotten much more complex, being aware of the dangers on a farm continues to become more and more important.

The statistics do not lie. According to the US Bureau of Labor, farming is one of the most dangerous professions today. In 2019, 573 people died from farm accidents — or the equivalent of 23.1 deaths per every 100,000 workers. Unfortunately, many farm accidents involve kids, with around 100,000 children under the age of 20 injured each year on the farm. Many accidents happen simply because those involved do not stop and think about being safe.

September was originally selected as Farm Safety Month because of the higher instances of accidents this time of year. That's because it is in the middle of fall harvest, one of the busiest times of year on the farm when all hands are needed. Sometimes that means putting inexperienced drivers behind the wheel of 10-wheeler trucks or strapping the toddler into the buddy seat so mom can pack trench while others are busy hauling silage in from the field. It's important in these instances and every other instance on the farm to keep safety at the forefront.

Having written protocols to remind everyone to stop and think about the safety hazards that exist is also important. These protocols should be written for working with cattle, with equipment, with chemicals, and in other hazardous areas on the farm. Posting things like "Make eye contact with the driver before approaching large equipment" or "Keep all chemicals out of reach from children" may seem simple to you, but they can go a long way in keeping everyone safe. Review your protocols with your employees and family members regularly and make sure people can see them. If you see someone not following the protocols, remind them they are in place for a reason and encourage them to follow them.

We are just getting started with the harvest season, which is an important time to remember these safety protocols. Many dairy farmers around Pennsylvania have started chopping corn silage, especially in

the droughty pockets of the state. About 57% of the corn crop across Pennsylvania is in the dented stage, according to the latest USDA Crop Progress Report, which is above where we were last year at this time. The USDA report also has 68% of Pennsylvania's corn crop rated in "good" to "excellent" condition, despite reports of droughty conditions across the state.

USDA continues to project a record corn harvest, with the August World Agricultural Supply and Demand Estimates report projecting the 24/25 production forecast at 1.5 billion bushels. The report included the season's first survey-based corn yield, projected at a record 183.1 bushels per acre. With these projections, corn futures prices on the CME have been falling over the past couple of months, with Sept corn at \$3.84 per bushel and Dec. at \$4.07 per bushel. Both are well below where prices were a year ago at this time. The next WASDE report is due out on Sept. 12 and could influence how these prices continue to move throughout the harvest season.

Regardless of where prices head or what your harvest yields, remember that safety must come first. We can recover from poor yields and low commodity prices. But it's very difficult for a farm and a family to recover after a tragic accident.

Our Center also has several farm safety resources available on our website. The first is a set of farm safety signs that you can use to create awareness around potential danger zones on your farm. You can request these signs at no cost at centerfordairyexcellence.org/request-farm-safety-signs/. We also have short 60-second videos to remind your employees about farm safety. They can be found at centerfordairyexcellence.org/farm-safety/.

No matter if you are in the chopper, hauling loads, in the parlor, or your office, be sure to join our Dairy Industry Monthly Call on Wed., Sept. 18, at 1 p.m. To connect, dial 301-715-8592 and use 813 6659 8116 as the meeting ID and 162069 as the passcode. Along with two end users and a Pennsylvania dairy producer doing the voluntary surveillance program, we'll have Nathan Brearley on the call, a Michigan dairy producer who went through a HPAI outbreak on his farm. Hearing his story is eye-opening for those of us in Pennsylvania who don't have any experience with the disease.

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

CME DAILY FUTURES & OPTIONS TRADING — SEPT. 11, 2024 AT THE CLOSE

	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	TREND												
CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Sep-Dec24 up \$0.50-\$1.00; Rest of board up \$0.10-0.25, with Mar24 up \$0.50.	23.15	23.83	23.27	22.32	20.80	20.10	19.48	19.30	19.15	19.10	19.40	19.41	12-Month Avg. 20.78↑↑												
CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: Sep-Oct24 and Jan25 dn \$0.05-0.10; Rest of board firm to \$0.15, spots \$0.20 higher.	22.34	22.85	22.90	22.20	21.60	21.80	21.70	21.49	21.45	21.45	21.42	21.45	12-Month Avg. 21.89↑↑												
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	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	18.62	18.41	
Class III	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	17.33	17.33	18.16	18.16	18.16	18.16	18.16	17.59	17.59
BASIS	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	1.03	0.82	

	SEP-24	DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	DEC-26	DEC-27	TREND				
CORN FUTURES (\$/BU)	3.810	4.050	4.234	4.350	4.422	4.392	4.444	4.550	4.594	4.654	4.500	4.440	↓				
SOYMEAL FUTURES (\$/TON)	N/A	317.4	321.2	323.3	326.5	329.2	332.4	332.6	332.5	N/A	333.7	N/A	↓				
U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report	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	211.69	*JUL-24	↓
																*185.21	↓

DMC	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	*JUL-24	TREND
DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)	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	11.66	*12.33	↑
ALL MILK	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	22.80	22.80	NC
FEED \$	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	11.14	10.47	↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 09/03/24	U.S. CME SPOT DAILY (\$/LB) 09/11/24	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 9/07/24*
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB	Prev. 5 day Dly	FMMO PROD MIL. LBS WTED AVG \$
NEXT GDT AUCTION 09/17/24	Spot price	16.7 1.2639↑↑
SKIM POWDER (SMP) 1.2491↑↑ 4.5%	Weekly Avg	FMMO MIL. LBS WTED AVG \$
ALL-PRODUCT INDEX ↓ 0.4%	22 1.3975↑↑ 1.3908↑↑	BUTTER 3.1 3.1652↑↑
BUTTER 3.0285↓ 0.9%	9 3.1750↑↑ 3.1800↑↑	CHEESE-40 10.7 2.1074↑↑
MILKFAT (AMF) 3.3172 ↑ 0.7%	5 2.3150↑↑ 2.2967↑↑	CHEESE-500 10.7 2.2587↑↑
CHEDDAR(BULK) 1.9619↑↑ 0.9%	6 2.3850↑↑ 2.3367↑↑	DRY WHEY 3.8 0.5177↑↑
CHEDDAR-40 5 2.3150↑↑ 2.2967↑↑	8 0.5900↑↑ 0.5900↑↑	
WHOLE POWDER (WMP) 1.5408↓ 2.5%		

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 AUG 1-31, 2024
21.60(SEP) *22.05(AUG) *20.66(AUG) *21.58(AUG) *22.80(JUL) NC *23.10(JUL) ↓	PRODUCT VALUE MAKE ALLOW NET
	*CHEESE 2.0399 0.2003 1.8396 ↑↑ *PROT 2.1756↑↑
	*BUTTER 3.1139 0.1715 2.9424 ↓↓ *B.FAT 3.5632 ↓↓
	*NFDM 1.2268 0.1678 1.0590 ↑↑ *N.FAT 1.0484↑↑
	*DRYWHEY 0.4864 0.1991 0.2873 ↑↑ *OTHER 0.2959↑↑

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
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 JUL-24	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 JUL-24
1559 1502 1540 1500 1741 2108 N/A 1635 N/A N/A N/A 2115 2016 N/A	1792 1615 1634 1643 1830 1988 N/A 1792 N/A N/A 2120 2254 1624 N/A

CATTLE - DAIRY PURPOSES (\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of Aug. 30, 2024		
*MILK COWS (NASS) U.S. Avg. \$2360 JUL-24 ↑↑ \$2120 APR-2	FRESH HEIFERS: Springing Bred Beef x OPEN: 300-600 lbs Beef X 600-900 lbs Beef X 900-1100 lbs	BULLS (800-1300 lbs)
2900	2600 2000 2500	900 1500 1400
\$1760 JUL-23 \$1720 APR-23	1650	1775 1685 1400
		650 N/A 1000 N/A 1000 1100
PA Auction Markets Sep. 5-10, 2024	FED STEERS (\$/CWT LIVE)	Choice & Prime 1250-1550 lb
CULL MARKET COWS (\$/CWT LIVEWEIGHT)	165.75↑↑ 199.35↑↑	535.00↑↑ 800.00↑↑
Premium White Breakers Boners Lean	138.10↑↑ 129.00↑↑ 113.60↓	575.00↑↑ 915.00↑↑
		475.00 835.00 315.00 625.00

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