

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — OCT. 30, 2024 — except where noted



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**Milk production and markets:** According to the USDA's Milk Production report, Pennsylvania's milk production came in at 779 million pounds for September 2024, up 0.1% year over year, after several months of slight to modest declines. From September 2023's 465,000 head, Pennsylvania's cow numbers experience a slight 1,000 head increase to 466,000 in September 2024. From August to September, the cow numbers remain unchanged, which could mean herds are retaining more cows and buying less replacement heifers. For Pennsylvania, milk per cow is up 5 pounds from last year's 1,670 to 1,675 pounds.

Conversely, Idaho, Texas, and New York experienced year-over-year milk production 1.8%, 4.9%, and 1.2%, respectively. South Dakota still shows significant growth in their dairy industry with a 7.9% boost in milk production year over year. However, New Mexico suffered a 9.1% drop in milk production from September 2023 to 2024. A potential result of lingering effects of New Mexico's extreme heat conditions on their dairy herds' production and health.

September's U.S. milk production equaled 18.2 billion pounds, up 0.1% from September 2023's total. August's milk production total was updated, which resulted in a 0.4% year-over-year bump versus a previously reported small loss.

Market volatility can be difficult to navigate. September's U.S. milk production increase and the uncertainty surrounding California and Wisconsin.

This milk production bump could lead to dairy product price declines. U.S. cow numbers dropped 0.4% or 38,000 head from last year's 9.37 million head to 9.33 million. However, the 9,000 head increase in cow numbers from July to August could be the reason for the uptick in milk production.

It is almost impossible to discern what the impacts could be on Class and futures prices. Developing a solid risk management plan can help dairy farmers better protect their business and farm.

Across the U.S., low heifer numbers result in low slaughter rates, which has kept cow numbers fairly consistent to slightly up from month to month. Milk production per cow jumped 9 pounds from September 2023 to 2024.

On November 8 from 12:00 to 1:00 p.m., the Center for Dairy Excellence will be hosting their final "Protecting Your Profits" webinar for 2024, titled "New Year, New Strategy: Capturing Opportunities and Managing Dairy Market Volatility."

California's September milk production equaled 2.21 billion pounds and was consistent with last year's monthly total, even with the hot weather and the presence of highly pathogenic avian influenza (HPAI) in an abundance of Central Valley's farms. However, as cases ramped up throughout the last month, California could see negative effects reflected in October production levels.

The featured guest speakers will be Jacob Thompson and Andrew McCarty, Land O' Lakes Dairy Business Advisors, who will cover dairy risk management tools, such as Dairy Margin Coverage, Livestock Gross Margin, Dairy Revenue Protection, and Forward Contracting.

Wisconsin's milk production decreased 0.5% due to poor quality forage, resulting in a softer than predicted decline than initially anticipated.

They will share how these programs work and how dairy producers can use one or more of these tools to cater to their specific risk management needs.

To tune in to this free webinar, please visit the Center's website under "Events" to add it to your calendar or get the details to join.

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 — OCT. 30, 2024 AT THE CLOSE

	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	TREND												
<b>CLASS III MILK FUTURES (\$/CWT) vs. wk ago:</b> Oct24 firm closeout; rest of board down \$0.10-0.30, except Dec24-Jan25 down \$0.70-0.90. <b>12-Month Avg. 19.83</b> ↑↑	22.73	20.28	19.68	19.71	19.72	19.55	19.40	19.30	19.30	19.40	19.45	19.48	↓↓												
<b>CLASS IV MILK FUTURES (\$/CWT) vs. wk ago:</b> Oct24 firm; rest of board firm to \$0.15 higher, except Nov24 & Mar25 \$0.10 lower. <b>12-Month Avg. 21.25</b> NC	20.91	21.01	21.16	21.16	21.28	21.05	21.40	21.40	21.40	21.40	21.40	21.40	MIXED												
<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	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	19.27	18.75	
Class III	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	17.60	17.60
BASIS	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	1.67	1.15	

	DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	DEC-27	TREND						
<b>CORN FUTURES (\$/BU)</b>	4.115	4.255	4.338	4.385	4.348	4.405	4.513	4.573	4.661	4.480	4.485	4.460	↓↓						
<b>SOYMEAL FUTURES (\$/TON)</b>	301.6	302.9	305.5	309.4	313.6	314.5	314.8	314.2	316.5	317.3	317.5	318.3	↓↓						
<b>U.S. AVG PREMIUM ALFALFA &amp; ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report</b>																			
JUN-23	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	185.21	196.44	*AUG-24	*SEP-24	*199.57	↑↑

DMC	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	*AUG-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)</b>	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	*13.72	↑↑
ALL MILK	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	23.60	↑↑
FEED \$	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	9.88	↓↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 10/15/24	U.S. CME SPOT DAILY (\$/LB) 10/30/24	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 10/26/24*
<b>Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB</b>	Prev. 5 day Lds	FMMO PROD
NEXT GDT AUCTION 11/05/24	Spot price	MIL. LBS
SKIM POWDER (SMP) 1.2454 ↓ 1.8%	Weekly Avg	WTED AVG \$
BUTTER 2.9469 ↓ 0.3%	NFDN 31 1.3850 ↑ 1.3825 ↑↑	*U.S. Weekly NDPSR is averaged for the Month & used in FMMO formulas.
MILK FAT (AMF) 3.2799 ↑ 0.3%	BUTTER 18 2.7050 ↑↑ 2.6900 ↑↑	
CHEDDAR (BULK) 2.1333 ↑ 4.2%	CHEDDAR-40 8 1.8900 ↓ 1.8950 ↓↑	*NEW! USDA *JUL-24* ALL-MILK BF *MAILBOX
MOZZARELLA (BULK) 2.0685 ↓ 8.2%	CHEDDAR-500 5 1.9250 ↑↑ 1.8950 ↓↓	FL \$27.00 3.84 \$25.34
WHOLE POWDER (WMP) 1.6120 NC	DRY WHEY 9 0.6050 ↑↑ 0.6050 ↑↑	SE \$27.10 3.84 \$25.09
		APP \$26.70 3.93 \$23.89
		PWestern PA only \$23.53
		NEG \$23.90 4.07 \$22.98
		IN \$23.90 3.94 \$22.93
		NY \$23.60 4.02 \$22.87
		MO N/A N/A \$22.80
		OH \$23.40 3.92 \$22.65
		PAeast \$23.10 4.05 \$22.23
		CA \$22.10 4.07 \$22.21
		IL \$22.90 4.06 \$22.16
		U.S. \$22.80 4.07 \$22.10
		MN \$23.20 4.01 \$22.06
		MI \$22.80 4.33 \$22.06
		TX \$23.50 4.19 \$21.66
		FO30 \$22.55 4.10 \$21.63
		WI \$21.90 4.07 \$21.47
		WAOR \$24.00 4.16 \$21.38
		IA \$22.50 4.30 \$21.28
		NEKS \$21.90 4.10 \$20.99
		NM \$21.20 3.86 \$20.04
		ID \$22.90 4.10 N/A
		SD \$23.40 4.49 N/A

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT) NASS ALL-MILK	CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW
CL I ADV ↓↓ *CL II ↓↓ *CL III ↓↓ *CL IV ↓↓	*WEIGHTED AVG. 4-WK OCT 1-26, 2024
22.53(NOV) *21.01(OCT) *22.85(OCT) *20.90(OCT)	PRODUCT VALUE MAKE ALLOW NET
23.17 22.40 23.34 22.29	*CHEESE 2.2400 0.2003 2.0397 ↓↓
19.75 21.95 16.84 21.49	*BUTTER 2.7191 0.1715 2.5476 ↓↓
	*NFDN 1.3423 0.1678 1.1745 ↑↑
	*DRYWHEY 0.5588 0.1991 0.3597 ↑↑
	*OTHER 0.3350 ↑↑

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
AUG-23 SEP-23 OCT-23 NOV-23	DEC-23 JAN-24 FEB-24 MAR-24 APR-24 MAY-24 JUN-24 JUL-24 AUG-24 *SEP-24
1540 1500 1741 2108	N/A 1635 N/A N/A N/A 2115 2016 N/A N/A *2800
1634 1643 1830 1988	N/A N/A N/A 2120 2254 1624 N/A N/A *2800

CATTLE - DAIRY PURPOSES (\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of OCT 20, 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)
\$1760 JUL-23 \$1720 APR-23	3200 3100 2800 2200 1200 1500 1400 N/A 2000 1800	
1475 1700 1400 1400	650 N/A 1000 N/A 1000 1100	
PA Auction Markets Oct. 24-29, 2024	FED STEERS (\$/CWT LIVE)	Choice & Prime 1250-1550 lb 154.75 ↓↓ 188.50
CULL MARKET COWS (\$/CWT LIVELWEIGHT)	Holstein Beef-X-Dairy 188.50	162.75 NO TEST 153.00 N/A
Premium White Breakers Boners Lean	BULL CALVES: No. 1 & 2, 90-130 lbs 550.00 ↑↑ 875.00NC	525.00 875.00 315.00 650.00
128.75NC 126.25 ↑↑ 119.50 ↑↑	70-85 lbs 575.00 ↑↑ 925.00 ↑↑	535.00 875.00 300.00 625.00
WEEK AGO		
128.75 123.75 116.75		
YEAR AGO		
N/A 99.50 88.60 78.60		