

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — TUESDAY, DEC. 3, 2019 — except where noted

ONE YEAR: December 10, 2018 marked the start of a new era for my family and me. That was my first day working for the Center for Dairy Excellence. I am coming up on my one-year anniversary of living and working in Pennsylvania. I grew up on my family's dairy, and for 16 years, I was the third generation to run it.

It was a difficult decision, for us to sell our cows, in many ways. Of course, the main issue was the fact that this is what our family had been doing for 70 years, and we did not want it to end. But I also had a nagging question tugging at me: What am I going to do after the cows are gone?

In order to stay in the industry that I grew to love and enjoy, I knew I probably would not be able to stay in North Carolina. All the dairy-related job postings I saw were in California, Idaho, Texas, Michigan, Wisconsin and New York, a lot further away than I wanted to move. Then one day while I was working at the farm getting ready for our equipment sale, my wife emailed me a link to a job posting she had found for a risk management position at the Center for Dairy Excellence in Harrisburg, Pennsylvania with a short note saying she thought this position would be a great fit for me.

I read through the job description and agreed. So, I applied, made it through the interview process, and here I am a year into a new career. The folks here in the Pennsylvania dairy industry have been very welcoming to me, and I am grateful to everyone here for making my transition from dairy farmer to dairy sup-

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

port personnel as seamless as possible!

Some of you may be asking, what does this have to do with markets and management?

Change is inevitable, and although change can be scary, it does not have to be feared. Just like milk prices or feed prices, change can be managed.

I remember my grandpa telling me what a difference it made when he went from milking cows by hand to his first milking machines. Likewise, I remember my dad saying what a difference the automatic takeoff made, and what a difference computer technology made to my ability to manage the herd. You deal with change without putting much thought into it because it is just part of the daily routine.

I always started my workday on the dairy with a plan, and it seldom went as I had anticipated. You never know when a piece of equipment is going to break down or when the cows are going to get out. When something happens to change your daily plan, you make decisions to manage that “change” and prioritize what needs to be accomplished.

Sometimes you need help navigating change. The Center has numerous resources available to help you plot your course for the ever-changing dairy industry. Please take advantage of us and our resources to make sure you manage change effectively.

One year ago, my family made a huge change. I have had a great year and I am looking forward to the next year.

CME DAILY FUTURES & OPTIONS TRADING – DEC. 3, 2019 AT THE CLOSE

*AVG =
Average
basis for
North-
East and
Mid-East

*MARGIN
= Milk
Price
over
Feed
Cost

per cwt.
YELLOW
=
payment
triggered

CORN (\$/BU) OPTIONS — CALLS

CORN FUTURES (\$/BU)

SOYMEAL (\$/TON)

SOYMEAL FUTURES (\$/TON)

PA MILK MARGIN & IOFC—LATEST PSU VALUES — *OCT. 2019

CME DAIRY CASH-SETTLED FUTURES (\$/LB)

FEED =
\$/CWT.

IOFC =
\$/COW

DEC-19

JAN-20

FEB-20

MAR-20

APR-20

MAY-20

JUN-20

JUL-20

AUG-20

SEP-20

OCT-20

NOV-20

TREND

CLASS III MILK (\$/CWT) OPTIONS — PUTS — Daily Strike Price / Premium

CLASS III MILK FUTURES (\$/CWT)

DEC-19

JAN-20

FEB-20

MAR-20

APR-20

MAY-20

JUN-20

JUL-20

AUG-20

SEP-20

OCT-20

NOV-20

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* = NEW
FEED =
\$/CWT.
IOFC =
\$/COW

**USDA JULY	
ALL-MINIMUM	
*FL	\$22
*N.ENGL	\$19
*SE	\$20
*WI	\$18
*APPAL	\$19
*OH	\$18
*PA	\$19
*U.S.	\$18
*NY	\$18
*IN	\$18
*MI	\$17

Price averages do not include lower-end 'common' cows and heifers.

Average
to high
dressing

brought to you by:



CENTER FOR
Dairy EXCELLENCE

