

**Markets:**

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Feb) **	\$14.68/cwt.	▲ 1.9 %	▼ 0.7 %	▼ 17.7 %
Corn (Mar)	\$3.63/bushel	▲ 0.5 %	▲ 4.0 %	▼ 1.8 %
SBean Meal (Mar)	\$331.7/ton	▼ 2.1 %	▲ 6.1 %	▼ 3.0 %
Milk Margin (Dec)*	\$ 12.68/cwt.	—	▼ 0.9 %	▼ 1.7 %

*Each issue of "Dairy Week in Review" will report on current "Milk Margin," or the dollars remaining per one hundred lbs. of milk after feed is paid for, based on data for a 65-pound herd in the latest "PA Dairy Industry Performance Scorecard." Milk margin is affected by both milk & feed prices. ** The milk price reported is the Class III futures price for the next month plus a basis of \$1.00, an estimate of what could be on your milk check next month.

- US dairy exports were up 14 percent in 2017 to a value of \$5.48 billion, the highest level in three years. Suppliers shipped 1.935 million tons of milk powder, cheese, butterfat, whey and lactose, up 6 percent from 2016 and surpassing the previous high volume exported to 2014. On a total solids basis, US exports in 2017 were equivalent to 14.7 percent of US milk production, up from 14.2 percent in 2016 and the highest level since 2014.
- In December, US exports of nonfat and skim milk powder totaled 133.5 million pounds, up 29 percent and the strongest performance for any December in the past decade. US cheese exports in December were down 4 percent from the previous year to 60.2 million pounds, while US butter exports were up 17.5 percent from the prior year.
- The latest USDA Dairy Products report shows total cheese production at 1.09 billion pounds in December, the highest level on record, climbing 2.6 percent from December 2016 and 3 percent higher than November. American-style cheese production was up 2.9 percent from a year ago and 7.5 percent from November. Butter production totaled 170 million pounds, up 4.2 percent from a year ago and 15.5 percent from November. Manufacturer's stocks of nonfat dry milk totaled 330.4 million pounds, up 46.5 percent from a year ago and at the highest level ever.
- The dairy price index increased 5.9 percent on the latest Global Dairy Trade auction, jumping to \$3,533 per metric ton. Butter prices were up 7.9 percent, while both Cheddar cheese and skim milk powder prices increased by 7.2 percent. The whole milk price was up by 7.6 percent.

Industry:

- Last week dairy industry organizations lent their support of the interim final rule, "Child Nutrition Programs: Flexibilities for Milk, Whole Grains and Sodium Requirements," which provided an additional option for the nation's school children and allowed milk processors and schools to address the alarming decline in school milk consumption. The rule allows for 1 percent flavored milks to be provided as part of the School Lunch Program.
- The Pennsylvania Dairy Summit is just around the corner, planned for Feb. 21—22 at the Penn Stater Conference Center in State College, Pa. Producer registrations have been deeply discounted for this event, which offers networking, learning and inspiration for all those involved in the dairy industry. To learn more, visit padairysummit.org or call 814-355-2467.
- The center's Dairy Decisions Consultant (DDC) Program provides up to \$3,500 in funding to work with an outside consultant to evaluate your operation and identify opportunities to enhance your performance and overall profitability. Call Melissa Anderson at 717-346-0849 to learn more.