

CENTER FOR
Dairy EXCELLENCE
 Dairy Week In Review

Dated March 8, 2018



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (Jan) **	\$15.13/cwt.	▲ 0.7 %	▲ 3.1 %	▼ 10.4 %
Corn (Mar)	\$3.79/bushel	▲ 1.3 %	▲ 2.7 %	▲ 3.8 %
SBean Meal (Dec)	\$380.9/ton	▼ 3.6 %	▲ 14.3 %	▲ 16.6 %
Milk Margin (Nov)*	\$ 13.01/cwt.	—	▲ 1.6 %	▲ 10.1 %

**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.*

- According to the US Dairy Export Council, U.S. dairy exports topped year-ago levels for the third straight month. Dairy export suppliers shipped 160,746 tons of milk powder, cheese, butterfat, whey and lactose during the month, up 9 percent from last January. U.S. exports were valued at \$415 million, up 1 percent. On a total milk solids basis, U.S. exports were equivalent to 13.9 percent of U.S. milk production in January, while imports were equivalent to just 3.1 percent.
- Butter and milkfat exports were up 24.6 percent year-over-year, while cheese and curd exports were up 18.9 percent. Shipments of nonfat dry milk were up 3.9 percent to 109.4 million pounds, the highest volume ever for the month of January. However, NDM exports were down 18 percent from record-breaking volumes in December. The only dairy product to report a decline in exports was cream, which dropped 76 percent year over year.
- The dairy price index on the latest Global Dairy Trade auction fell 0.6 percent from the previous session to \$3,593 per metric ton. Cheddar cheese prices were up 1.7 percent, while skim milk powder was up by 5.5 percent. The butter price fell by 1 percent, while whole milk powder was down by 0.8 percent.
- The USDA announced the February Class III milk price at \$13.40 per hundredweight, down 60 cents from last month and \$3.48 less than February 2017. The Class IV price was announced at \$12.87, down \$2.72 from a year ago. The January Margin Protection Program margin was \$8.12 per hundredweight.

Industry:

- With milk prices expected to decline about \$2 per hundredweight over the next two months, now is the time when dairy farm families should be looking hard at their financials and strategies to work through the downturn. 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.
- The Dairy Decisions Consultant Program is also be used as a resource for farm families who are facing a loss of market. Families who need help evaluating their options and formulating a plan to move forward are encouraged to contact the Center for Dairy Excellence for help.