



CENTER FOR
Dairy EXCELLENCE
 Dairy Week In Review



Dated May 15, 2019

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Milk Price (May) **	\$17.27/cwt.	▼ 0.9 %	▲ 2.1 %	▲ 6.3 %
Corn (May)	\$3.69/bushel	▲ 3.9 %	▲ 3.1 %	▼ 7.6 %
SBean Meal (May)	\$299.1/ton	▲ 5.2 %	▼ 1.6 %	▼ 20.5 %
Milk Margin (March)*	\$11.90/cwt.	—	▲ 4.9 %	▲ 20.1 %

**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.*

- USDA's latest export data shows March dairy export levels at the highest level in the past seven months, but still down 12 percent from levels a year ago. US suppliers moved record shipments of cheese in March, with total cheese exports up 10 percent year-over-year to 37,190 tons. Overall, suppliers shipped 186,185 tons of dairy overseas in March, with butterfat exports down 33 percent and exports of whole milk powder falling 76 percent. The total value of dairy exports in March was \$538.3 million, up 4 percent from the previous March. Mexico remains the top market for US dairy exports.
- Canada's 10 provinces had 19,593 dairy farms producing milk at the end of last year, according to recent data from the Canadian Dairy Information Centre. Nearly half of the farms were in Quebec with another third in Ontario. The average herd size was 92 cows, with Canada being the home to 969,700 cows. Tie stall barns were the most common housing method.
- Planting progress remains delayed in much of the US. The most recent USDA reports indicates that 30 percent of the corn crop in the US is now planted as of May 12, significantly below the five-year average of 66 percent for the same week. Most of the Corn Belt states are behind, and Pennsylvania only has 3 percent of its corn crop in the ground, well below the five-year average of 12 percent. Soybean planting is also behind, with only 9 percent of the nation's soybean crop planted, well below the five-year average of 29 percent. Concern is beginning to mount regarding the impact this will have on harvest this fall.

Government and Industry:

- A Texas A&M University independent report documented that every \$1 invested in dairy checkoff netted a \$4.78 return on investment from demand-enhancing programs. Those results were verified by USDA in a recent report. Butter had the greatest return on investment, with programs returning \$22.74 for every dollar invested. Dairy exports returned \$8.10, and cheese returned \$4.81 with fluid milk returning \$4.11 for every \$1 invested in the programs.
- The Dairy Decisions Consultant Program remains open and available to those farms who want assistance in making those critical decisions affecting the future of their farm. Once accepted into the program, farms can receive up to \$3,500 in funds to work with a DDC. Call 717-346-0849 to learn more or visit centerfordairyexcellence.org.
- Enrollment in the new Dairy Margin Coverage program is expected to open on June 17. Milk production will retroactively be covered starting January 1, 2019. The actual margins for January, February and March are \$7.99, \$8.22 and \$8.85 per hundredweight, respectively