

CENTER FOR
DairyEXCELLENCE
Dairy Week In Review



Dated May 8, 2024

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (May)	\$15.52/cwt.	▲ 21.3 %	▼ 0.3 %	▼ 5.4 %
Class IV Milk Price (May)	\$20.29/cwt.	▲ 0.5 %	▲ 1.1 %	▲ 12.8 %
Corn (May)	\$ 4.53/bushel	▲ 3.1 %	▲ 5.1 %	▼ 29.5 %
SBean Meal (May)	\$ 377.4/ton	▲ 8.9 %	▲ 7.4 %	▼ 9.4 %
DMC Margin (March)*	\$ 9.65/cwt.	—	▲ 2.2 %	▲ 58.7 %

**Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.*

- Dairy exports continued their downward trend from 2023 in the first quarter of 2024. Total dairy exports declined year over year in March, with total dairy export volumes dropping 4.5 percent to 527 million pounds, while the value of those exports fell 9.2 percent to \$740 million. The year-over-year decline in March came on the heels of February's jump in total dairy export volume and values. Year to date, dairy export volumes are down 3.1 percent from 2023, while export values were down 10 percent in the first quarter.
- Cheese sales overseas continue to be strong and remain a bright spot in the dairy export market. March cheese exports were up 21 percent to 50,022 metric tons, marking the first time cheese volumes have ever reached 50,000 metric tons in a single month. Much of the growth in sales is coming from Mexico, with year-over-year shipments to our southern neighbor up 8 percent in March. This past month is the 33rd consecutive month of growth in cheese exports into Mexico. Shipments of US cheese to Japan, South Korea, the Middle East and North Africa, and Latin America were also strong in the month of March.
- Nonfat dry milk and skim milk powder shipments overseas continue to slip, with March NFD and SMP shipments falling 18 percent from a year ago. Powder exports into the Southeast Asia market were up 13 percent, while powder shipments into Mexico were down 37 percent.
- According to the latest USDA Dairy Products report, total cheese output in March was up 0.1 percent from a year ago to 1.23 billion pounds, up 7.6 percent from February. Italian type cheese production was up 4.4 percent from last year to 518 million pounds, while American type cheese production was down 2.9 percent to 491 million pounds. Butter production was up 1.4 percent from a year ago to 209 million pounds. Despite the increase in butter production, combined production of skim milk powder and nonfat dry milk powder was down 14.5 percent from a year ago to 212.02 million pounds.
- USDA announced the April Class III price at \$15.50 per cwt., down 84 cents from March and \$3.02 behind year-ago levels. The April Class IV price was announced at \$20.11, up 2 cents from March and \$2.16 above last April. Class III milk futures, however, are up nearly \$3 from April, with May's Class III price currently trading at \$18.33 per cwt. The average Class III futures price for the remainder of 2024 is \$19.00 per cwt. Class IV has held steady, with the 2024 average Class IV futures prices at \$21.07 per cwt., as of the close of May 7 trading.

Government and Industry:

- The Center will continue to have weekly dairy calls to keep everyone informed regarding the HPAI outbreak in dairy cattle. The next call will be on Wednesday, May 15, at 1 p.m. To join, dial 301-715-8592 and use 813 6659 8116 as the meeting ID and 162069 as the passcode.
- The Center and Penn State also continue to offer biosecurity resource kits to help Pennsylvania dairy farms enhance their biosecurity protocols and implement a biosecurity plan. To receive a kit, call the Center at 717-346-0849 or email info@centerfordairyexcellence.org.