



Dated June 19, 2024

Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (June)	\$19.85/cwt.	▲ 0.3 %	▲ 6.3 %	▲ 32.8 %
Class IV Milk Price (June)	\$21.15/cwt.	—	▲ 3.6 %	▲ 16.8 %
Corn (July)	\$ 4.50/bushel	▲ 0.2 %	▼ 1.8 %	▼ 33.0 %
SBean Meal (July)	\$ 364.6/ton	▲ 1.3 %	▼ 2.1 %	▼ 17.0 %
DMC Margin (April)*	\$ 9.60/cwt.	—	▼ 0.6 %	▲ 98.8 %

**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.*

- Butter prices on the Global Dairy Trade auction reached an all-time high this week, increasing 6.2 percent to reach \$7,350 per metric ton, the highest price since the GDT began eleven years ago. The average dairy price index on the GDT was still down 0.5 percent from the last session, dropping to \$3,893 per metric ton, marking the first session-to-session decline after three straight session-to-session increases. Cheddar cheese prices fell 1 percent, while whole milk powder prices were down 2.5 percent. Skim milk powder prices were up 0.7 percent.
- The latest Food Price Index (FFPI) published by the Food and Agriculture Organization (FAO) was up 0.9 percent from April to 120.4 points in May. While prices are up over last month, the FFPI was 3.4 percent below where it was a year ago and down almost 25 percent from when it peaked at 160.2 points in March 2022. May's Dairy Price Index was up 1.8 percent from April to 126 points, which puts the index at 3.5 percent above year-ago levels. However, the index is still 20 percent below the record set in 2022.
- According to National Milk Producers Federation's Market Report, U.S. fluid milk sales during the first four months of this year were up by almost 100 million pounds over a year ago, or 0.7 percent on a leap year adjusted basis, which goes against recent trends of declining fluid milk sales. Meanwhile, domestic consumption of cheese, butter and other dairy products were down. Bright spots, though, with consumption increases were yogurt and non-American types of cheese.

Government/Industry:

- Senate Republicans released a draft of their 2024 Farm Bill last week, which is very similar to the version approved by the House Agriculture Committee last month but is different from the Senate Agriculture Committee's version released earlier this month. Although the current Farm Bill, voted into law in 2018, was only extended through the end of 2024, it does not appear that the Senate and House are close to finding an agreement on this next version of the Farm Bill.
- The House Agriculture Appropriations subcommittee approved the Fiscal Year 2025 Appropriations Bill for agriculture programs last week, which included \$25.8 billion in spending for agriculture. The bill did include language to reverse the reduction of milk allowance in USDA's most recent WIC food package policy.