



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review

Dated July 14, 2021



Markets:

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (July)	\$16.82/cwt.	▲ 1.4 %	▼ 2.6 %	▼ 30.8 %
Class IV Milk Price (July)	\$15.96/cwt.	▼ 1.1 %	▼ 3.2 %	▲ 11.6 %
Corn (July)	\$ 6.82/bushel	▲ 3.6 %	▲ 2.2 %	▲ 209 %
SBean Meal (July)	\$355.1/ton	—	▼ 1.6 %	▲ 4.7 %
Milk Margin (May)*	\$11.43/cwt.	—	▲ 10.43 %	▲ 68.34 %

**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."*

- The latest USDA World Agricultural Supply and Demand Estimates report kept projected 2021-22 corn yields at 179.5 bushels per acre, while the season-average corn price was lowered by 10 cents to \$5.60 per bushel. The expected number of acres harvested was increased by 1 million acres, with total production expected to be about 15.165 billion bushels. Beginning stocks fell by 25 million to 1.082 billion from last month, while ending stocks were raised by 75 million bushels to 1.432 billion bushels, with higher forecasted imports expected to offset increased feed and export use. Soybean production is projected at 4.4 billion bushels, with the total harvested area up 4.4 million acres from a year ago to 86.7 million acres. Ending stock estimates were kept unchanged from last month, with lower imports, crush and exports expected to offset each other. The season-average price was lowered by 20 cents to \$11.05 per bushel.
- Class III milk prices on the CME showed some movement this week. As of July 13 settlement, the Class III price averaged \$17.99 per hundredweight for the last six months of the year, with Class IV prices averaging \$16.23 per cwt. According to the USDA's WASDE report, the All-Milk price is projected at \$18.30 per hundredweight for 2021 and \$18.50 for 2022.

Government and Industry:

- Representatives Henry Cuellar (D-TX) and Dan Newhouse (R-WA) have introduced an amendment that would benefit dairy farms. The Cuellar-Newhouse bipartisan amendment to this year's Homeland Security Appropriations bill would allow farm employers to use the H-2A visa program to hire foreign workers, regardless of whether those employees are engaged in temporary or seasonal work. Under this amendment, dairy farmers and other year-round producers could use the H-2A program to supplement their domestic workforce.
- A new study conducted by researchers from Global Dairy Platform shows dairy cows provide high quality nutrition and sustain 1 billion people financially. The researchers note that the balance between human and climatic health is delicate, and finding solutions will be a challenge. Dairy cows, excluding the meat they provide, account for 5% of the world's calories available for consumption. Without dairy cows, the world would lose one of its most affordable and high-quality sources of nutrients.
- The Center for Dairy Excellence Board of Directors is requesting nominations to fill two open board positions. The available positions are for a dairy producer from the Central Pennsylvania region and a dairy sales and service representative. Anyone who would like to submit a nomination can send those to Jayne Sebright at jsebright@centerfordairyexcellence.org.
- The Dairy Revenue Protection Program offers market-based price coverage for the next five quarters, which currently includes the fourth quarter of 2021 through the fourth quarter of 2022. The program allows you to put a floor under your milk price. To learn more, contact your crop insurance agent. A list of agents is available on the RMA website at www.rma.usda.gov/tools/agent.html. If you want help in better understanding the program, contact Zach Myers at 717-346-0849.