# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — DEC. 30, 2024 — except where noted

Based on the November USDA Milk Production report, we saw a modest increase in Pennsylvania's milk production of 1.0% from 783 million pounds in November 2023 to 791 million pounds in November 2024.

Pennsylvania cow numbers 465,000 head, down 1,000 head from last year's 466,000. Milk output per cow climbed 20 pounds from 1,680 pounds to 1,700 pounds per cow for the month. Even as the total number of milk cows decreased slightly in Pennsylvania, we still saw growth in the milk yield per cow. This is a true testament to Pennsylvania dairy farmers' adaptability in a constantly shifting market environment.

November 2024 U.S. milk production equaled 17.9 billion pounds, a 1.0% drop year over year. We noticed U.S. milk cow numbers climbed 20,000 head from November 2023's levels to 9.37 million head in November 2024. U.S. milk output per cow was down 23 pounds from last year's average to 1,909 pounds per cow this November.

This unexpected drop in U.S. milk production is primarily driven by the severe decline in California's milk production and shows a deviation from the projected 0.2% growth. We observed that other states underwent moderate production declines.

On the other hand, Texas and South Dakota showed 7.3% and 7.2% increases in milk production, respectively, as they increased cow numbers and new dairy processing opportunities continue to come online in those regions.

Shifting our focus to the West Coast, we saw a whopping 9.2%or 302-million-pound drop in California's milk production from 3.26 million pounds in November 2023 to 2.96 million pounds in November 2024. Milk output per cow decreased 175 pounds from the prior year's 1,905 pounds per cow to this November's 1,730 pounds. We are seeing the negative impacts of highly pathogenic avian influenza (HPAI) on California dairy herds being reflected in the monthly milk production reports.

As of Dec. 19, 2024, since California's first detection of HPAI

Prices change daily. This market information is an example for educational purpose: The market data shown below are compiled weekly by Farmshine, via CME & USDA reports.

21.00

21.00

4.380

WHOLE POWDER (WMP) 1.7649 ↓↓

96.50

80.25

20.85

4.390

21.04

4.600

4.522

in their dairy herds in September, the state reached a total of 650 infected dairies with

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40.9%, or 266, of those confirmed positive cases oc-

curring within the past 30 days. However, 56 of those affected dairy herds have since been released from quarantine.

While we see some dairies slowly coming out the other side of HPAI, we might not see California's milk production recover to somewhat normal levels until 2025.

## HPAI preparedness, see us at Keystone Farm Show

Seeing how quickly HPAI spread through over 60% of Calfiornia dairies, this makes a strong case for being proactive on your farm to help prevent or slow the spread of HPAI, if it would come to Pennsylvania.

From Jan. 7-9 at the Keystone Farm Show in York, the Center, along with Penn State and Pennsylvania Department of Agriculture staff, will set up an HPAI & Biosecurity Resource Center. The Resource Center will be staffed from 10 a.m. to 3 p.m., and can be found in Keystone Farm Show Building 3's meeting room. No appointments necessary, just stop in.

At the Resource Center, state dairy producers can get help completing their biosecurity plans, get free biosecurity materials, and ask questions about mandatory and voluntary milk testing.

For more information, please feel free to reach out to me at vmason@centerfordairyexcellence.org or (717) 550-8720.

In case you can't make it to the Keystone Farm Show, the Penn State Extension Dairy Team will host workshops across the Commonwealth on Jan. 27 and 30 to help dairy farmers create a biosecurity plan to meet PDA guidelines. At these no-cost, open-house style workshops, you will get one-on-one help from dairy educators on creating a biosecurity plan to help protect your herds and people. They'll provide information on biosecurity essential compo-

nents, how to prepare for potential HPAI outbreaks, and the importance of everyday biosecurity practices. For more information or to register for a workshop, reach out

to your local extension office. CME DAILY FUTURES & OPTIONS TRADING — DEC. 30, 2024 AT THE CLOSE

20.75

20.75

4.560

\* NFW

NOV. 2024

4.596

### DEC-24 JAN-25 FEB-25 MAR-25 APR-25 MAY-25 JUN-25 JUL-25 AUG-25 SEP-25 OCT-25 NOV-25 TREND 12-Month Avg. 19.46 CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Dec24 steady; Jan-Apr25 up \$0.50-1.00; Rest of board up \$0.15-0.30.

20.50

4.594

**CURRENT FEDERAL ORDER VALUES (\$/LB)** 

\*WEIGHTED AVG. 4-WK NOV. 1-30, 2024

20.54

20.67 20.29 19.81 19.36 19.22 19.12 18.75 CLASS IV MILK FUTURES (\$/CWT) vs. wk ago; Dec24 firm: First half 2025 up \$0.40 to mostly \$0.50; second half 2025 up \$0.15-0.30 12-Month Avg. 20.75

20.53

4.566

MILK BASIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST & MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY 20.25 19.64 19.22 18.75 18.82 18.25 18.96 18.48 18.64 18.27 18.52 18.15 18.68 18.38 18.65 18.35 18.62 18.41 19.27 18.75 20.20 19.76 20.58 20.17

Class III 17.30 17.30 16.81 16.81 16.03 16.03 16.98 16.98 17.31 17.31 17.33 17.33 18.16 18.16 18.16 18.16 17.59 17.59 17.60 17.60 18.72 18.72 19.07 19.07 1.33 0.96 2.41 1.94 2.79 2.22 1.98 1.50 1.19 0.82 0.52 0.22 0.49 0.19 1.03 0.82` 1.67 1.15

CORN FUTURES (\$/BU) JUL-25 SEP-25 DEC-25 MAR-26 IUL-26 SEP-26 DEC-26 SEP-27 MAR-25 **MAY-25** MAY-26 IUL-27

SOYMEAL FUTURES (\$/TON) SEP-25 0CT-25 MAR-26 302.6 311.8 317.3 322.3 322.8 322.5 321.5 323.6 324.2 324.6

20.70

U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP Source: USDA Monthly National Dairy Comprehensive Report AUG-23 SEP-23 OCT-23 NOV-23 DEC-23 JAN-24 FEB-24 MAR-24 APR-24 MAY-24 JUN-24 JUL-24 AUG-24 SEP-24 206.63 \*192.20 243.50 238.50 217.82 240.41 231.70 254.85 224.50 205.02 220.17 175.00 211.69 185.21 196.44 199.57

DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & III. soybean, feed for ALL CLASSES of dairy cattle on farm) IUL-24 JUN-24 AUG-24 SFP-24 MAY-24

JUL-23 AUG-23 SEP-23 OCT-23 NOV-23 DEC-23 JAN-24 FEB-24 MAR-24 APR-24 3.52 6.46 8.44 9.44 9.58 8.44 8.48 9.44 9.65 9.60 DMC JUN-23 ¹15.17 ↓↓ 6,46 10.52 11.66 12.33 13.72 15.57 21.70 20.70 20.50 22.00 22.80 23.60 \*25.20

11.05 10.90 11.14 10.47 \*10.03 DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 12/17/24 U.S. CME SPOT DAILY (\$/LB) 12/30/24 U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 12/21/24

Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB
NEXT GDT AUCTION 01/07/25 SKIM POWDER (SMP) 1.2509 14 2.9% Spot price Weekly Avg 1.3825 ↑↑ 1.3825 ↑↑ NFDM 15.1 1.3968↓↓ 3.0008↓↓ 0.6% 2.1243↓↓ 0.2% used in FMMO formulas. RUTTER BUTTER 12 2.5700 11 2.5700 11 BUTTER 4.0 2.566511 CHEDDAR(BULK) 1.9100 ↑↑ 1.9100 ↑↑ 1.8075 ↑↑ 1.8075 ↑↑ 3.2972 11 3.8% MILKFAT (AMF) NEW! USDA \*SEP-24 ALL-MILK BF \*MAILBOX **BUTTERMILK POWDER** N/A MOZZARELLA (BULK) 1.8298↓↓ 1.8% **CHEDDAR-500 10** CHEESE-500 12.9 1.7283 11

### **ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)** NASS ALL-MILK CL III↓↓↓ CL I ADV CL IITT CL IV11 ALI-MILK-U.S ALI-MILK-PA

YEAR AGO

99.85

90.25

0.415211 0.5%

N/A

VALUE MAKE ALLOW PRODUCT NET COMPONENTS \*20.38(JAN) 22.52(NOV) 19.95(NOV) 21.12(NOV) 25.20(oct)↓↓ 4.26F 25.40(oct)↓↓ 4.21F 1.9198 0.2003 1.7195 **₩ PROT** 2.3160↓↓ CHEESE - MONTH AGO -BUTTER 2.7002 0.1715 2.5287 B.FAT 3.0623 21.43 21.01 22.85 20.90 25.50 4.15F 25.70 4.11F 1.2095 11 N.FAT 1.1974 11 NFDM 1.3773 0.1678 YEAR AGO

20.87 22.80 4.08F 18.48 21.60 4.21F 0.5922 0.1991 0.3931 11 OTHER 0.404911 DRYWHEY

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy OCT-23 NOV-23 DEC-23 JAN-24 FEB-24 MAR-24 APR-24 MAY-24 JUN-24 JUL-24 2108 N/A 1635 N/A N/A N/A 2115 2016 N/A N/A 2800

U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report 1624 1643 1830 1988 N/A 1792 N/A N/A 2120 2254 N/A 2800 DAIRY PURPOSES(\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of DEC. 20, 2024

MILK COWS (NASS) U.S. Avg. **HEIFERS**: Springing Beef x OPEN: 300-600 lbs Beef X 600-900 lbs Beef X 900-1100 lbs Bred \*\$2600 SEP-24 ↑↑ \$2300 JUL-24 3000 2200 2200 900 1800 3350 1200 1300 N/A 1800

**EAR AGO** 1400 1650 \$1850 SEP-23 \$1760 JUL-23 2075 2100 975 N/A 1350 1200 PA Auction Markets Dec. 26-30, 2024 FED STEERS (\$/CWT LIVE) Holstein Beef-X-Dairy WK AGO YR AGO CULL MARKET COWS (\$/CWT LIVEWEIGHT

168.25Ltd 183.50 Choice & Prime 1250-1550 lb 188.3511 135.00Ltd N/A 'common **Premium White** Breakers Boners Lean 875.00NC 630.0011 **BULL CALVES:** No. 1 & 2, 90-130 lbs 550.00 875.00 325.00 550.00 123.0011 117.8511 109.85↑ Average to high 70-85 lbs 700.0011 925.0011 625.00 900.00 400.00 600.00 **WEEK AGO** dressing 110.10

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