



CENTER FOR
DairyEXCELLENCE

Dairy Week In Review

Dated
April 28, 2010



Policy:

- The first of five field hearings held by the U.S. House of Representatives Ag Committee was held in Harrisburg, Pa., last week. Pennsylvania Secretary of Agriculture Russell Redding, Center for Dairy Excellence Executive Director John Frey, and four local dairy producers were among those who testified at the hearing, which was to address the future direction of dairy policy.
- Dairy farmers sent 256,000 head to slaughter in March, up 33,000 head from February and the largest amount in the month of March since 2000, according to USDA's latest "Livestock Slaughter" Report. It was also the largest culling month since June 2009.

Markets:

Dairy Prices	Price	Chge. From Week Ago	Chge. from Month Ago	Chge. From Year Ago
Milk Price (Apr) **	\$14.68/cwt.	▲ 0.6 %	▲ 0.9 %	▲ 15.0 %
Corn (May)	\$3.47/bushel	▼ 3.3 %	▼ 6.6 %	
SBean Meal (May)	\$287/ton	▼ 2.1 %	▼ 5.9 %	
Milk Margin*	\$11.25/cwt.	—	▼ 6.5 %	▲ 71.9 %

** Each issue of "Dairy Week in Review" will report on current and projected "Milk Margin," or the dollars remaining per one hundred lbs. of milk after feed is paid for. 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 \$1.75, which is an estimate of what you can expect to see on your milk check for the coming month.*

- The May Class I Mover is \$13.80 per hundredweight, up 58 cents from April but the second lowest this year. The price is up \$2.83 per hundredweight from May 2009. So far, Class I base prices have averaged \$14.25 per cwt., compared to \$11.44 per cwt. in 2009.
- According to the latest USDA "Cold Storage" Report, butter stocks are down 15 million pounds from a year ago and down 6.6 million pounds from February to 196.6 million pounds. Total cheese stocks are up 15 million pounds from February and 85 million pounds from March 2009 to 1,000.7 billion pounds in March 2010, the highest inventory since November 1984. American cheese stocks are up 2.7 million pounds from February and 52.1 million pounds from a year ago to 600.8 million pounds.
- According to USDA, about 50 percent of the nation's corn has been planted as of April 23.

Industry:

- In Fonterra's latest report, it announced a 7-percent increase in its 2009-10 milk price forecast, with rising global prices and demand expected to outstrip supply.
- CWT accepted six more bids to provide export bonuses for 5.4 million lbs. of cheddar and Monterey Jack cheese last week. Total bids for 2010 are at 19.0 million lbs.



Published weekly by the Center for Dairy Excellence with information from the CME Daily Dairy Report, NMPF Daily News Alerts and other resources. For more information, visit www.centerfordairyexcellence.org or call 717-346-0849.