



CENTER FOR Dairy EXCELLENCE

Dairy Week In Review

Dated July 8, 2010



Markets:

| Dairy Prices | Price | Chge. from Week Ago | Chge. from Month Ago | Chge. from Year Ago |
|----------------------|---------------|---------------------|----------------------|---------------------|
| Milk Price (June) ** | \$15.25/cwt. | ▼ 0.8 % | ▲ 0.4 % | ▲ 22.6 % |
| Corn (July) | \$3.70/bushel | ▲ 1.7 % | ▲ 9.4 % | ▲ 10.3 % |
| SBean Meal (July) | \$304.0/ton | ▲ 5.0 % | ▲ 6.4 % | ▼ 25.3 % |
| Milk Margin* | \$11.20/cwt. | — | ▲ 3.32 % | ▲ 67.16 % |

**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 June Class III price rose 24 cents from May to \$13.62 per hundredweight, up \$3.65 from a year ago. The Class IV price is \$15.45 per cwt., up 16 cents from May, up \$5.22 from June 2009, and the highest price since August 2008.
- Cooperatives Working Together announced that it has tentatively accepted 194 bids its latest herd retirement, representing 34,442 cows and 653.8 million pounds of milk. Farmers had submitted a total of 209 herd retirement bids to CWT. All farmers will be notified no later than July 30th as to whether their bid was among those accepted in this herd retirement round, the tenth that CWT has conducted since 2003. Once CWT auditors approve the herd, farmers have 15 days to send their cattle to market.
- The latest USDA Dairy Products report shows total cheese production up 2.5 percent in May, to 877.9 million pounds. Cheddar production was down 0.4 percent, and mozzarella was up 8.3 percent. Butter production was down 5.6 percent, while production of nonfat and skim milk powder was down 3.2 percent. Dry whey production was up 2.9 percent, according to the USDA.

Government & Industry:

- A compromise reached between Ohio agricultural groups and the Humane Society of the United States, brokered by Gov. Ted Strickland, will head off a HSUS ballot initiative this fall. The deal calls for Strickland, the Humane Society, the Ohio Farm Bureau and their partners to join forces in favor of tougher laws governing farm animals, including provisions that ban certain cages and the use of strangulation as a form of euthanasia. The pact, as yet unsigned, is the fifth such negotiated agreement in the nation.
- The House Appropriations Subcommittee has completed its fiscal 2011 budget and has cut all funding for the voluntary National Animal Identification System, according to Dairy Herd Management's Dairy Alert e-newsletter. The subcommittee is charged with budgeting for USDA and the U.S. Food and Drug Administration programs.



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