

# WESTERN UNITED DAIRIES

WEEKLY UPDATE | JULY 18, 2023

## New on Seen & Herd: Advancing Sustainable Dairy with Paul Sousa

On this week's episode of Seen and Herd, Allison Tristao interviews Paul Sousa, Director of Environmental Services at Western United Dairies. They discuss different methane reduction programs and how they benefit dairy farmers.



For questions about the episode, email Allison Tristao at [allison@wudairies.com](mailto:allison@wudairies.com) or Paul Sousa at [paul@wudairies.com](mailto:paul@wudairies.com). Listen to the episode at [wudairies.com](http://wudairies.com).

## CDQAP: Heat Stress & Mortality Management

With excessive heat throughout California, producers are understandably concerned about the effects of high environmental temperatures on their livestock and employees. California Dairy Quality Assurance Program (CDQAP) has resources for producers during this heatwave, including:

- [Heat Stress in Dairy Cows](#) - Cows are more sensitive to heat stress than humans, with production losses (at low humidity) starting in the low 80 degrees. Water intake may double during times of heat stress and water should always be available free choice. Water consumption can also be encouraged by water troughs which are shaded and easily available after exiting the parlor, when cows consume half their daily intake.
- [Heat Stress in Dairy Employees](#) - Heat stress can affect not only cattle but employees as well. Environmental heat stress will not impact all individuals in the same way. Age, physical condition, use of medications, ambient temperature, wind, exertion, alcohol use, acclimatization, and water consumption all contribute to an individual's response to heat stress.
- [Mortality Management During Heat Events](#) - Heat events stress not only dairy workers and cattle, but rendering equipment and logistics as well. CDQAP and industry trade groups are working hard with CDFA to develop short-term and long-term solutions to rendering service disruptions.

Industry partners with additional questions related to heat events or other dairy emergencies should contact Dr. Payne at 530-304-9306 or [mpayne@ucdavis.edu](mailto:mpayne@ucdavis.edu). **More resource information can be found [HERE](#).**

## Weekly Update Delivery Options

Send change of address or request for delivery to WUD by phone or email at: (209)527-6453 [info@wudairies.com](mailto:info@wudairies.com)

## Struggling with Depression?

Call 1-800-784-2433 any time, 24x7, for a live, trained person to talk with or to find local resources.

## LUC: Lecheros Unidos de California

Western United Dairies is proud to host LUC, a clearinghouse of resources to assist in all aspects of searching for and hiring employees for your dairy.

LUC services are offered in Spanish & English & include:

- Free advertisement of job postings to a wide audience of potential employees
- Phone call interviews with translation services
- Access to a pool of pre-screened employees with dairy experience

For more information, visit: [westernuniteddairies.com/lecheros-unidos](http://westernuniteddairies.com/lecheros-unidos)



**Cow Fact:** Did you know... The total number of milk cows on farms in the United States shows that CALIFORNIA holds a significant share of the total number of milk cows in the country. Unsurprisingly, California is also the leading milk producing state in the United States.

## Methane Reduction - CDFA Now Accepting Grant Applications for Dairy and Livestock Methane Reduction Programs

The California Department of Food and Agriculture (CDFA) is now accepting grant applications from commercial dairies and livestock operations to install equipment and implement practices that result in long-term methane emissions reductions and maximize environmental co-benefits.

This year, CDFA will offer both of its flagship dairy and livestock methane reduction grants: the Alternative Manure Management Program (AMMP) and the Dairy Digester Research and Development Program (DDRDP). AMMP and DDRDP are supported by funding from the Budget Act of 2022, with \$48 million appropriated for livestock methane reduction and an additional \$20 million specifically for AMMP through the Greenhouse Gas Reduction Fund. AMMP will make approximately \$20.9 million available, and DDRDP approximately \$11.4 million available for 2023 awards. CDFA will make the remaining funds from the appropriations available in a subsequent solicitation expected in 2024.

New this year, the Dairy Plus Program offers the opportunity to amplify the reach and scope of traditional AMMP and DDRDP projects with approximately \$75 million from the USDA Partnerships for Climate Smart Commodities program. CDFA and the California Dairy Research Foundation joined forces to secure funding from this USDA program, which will reduce greenhouse gas emissions while expanding markets for America's climate-smart commodities. Dairy Plus will fund advanced manure management practices that reduce GHG emissions and address nutrient surplus. Both new AMMP and DDRDP applicants, as well as previous AMMP and DDRDP recipients with completed projects, are eligible to apply to the Dairy Plus Program.

[LEARN MORE](#)

South Valley

# KITCHEN TABLE MEETING

August 22, 2023  
5:00 pm

Vejar's  
1293 S K St  
Tulare, CA 93274

**RSVP to Allison Tristao at [allison@wudairies.com](mailto:allison@wudairies.com).**

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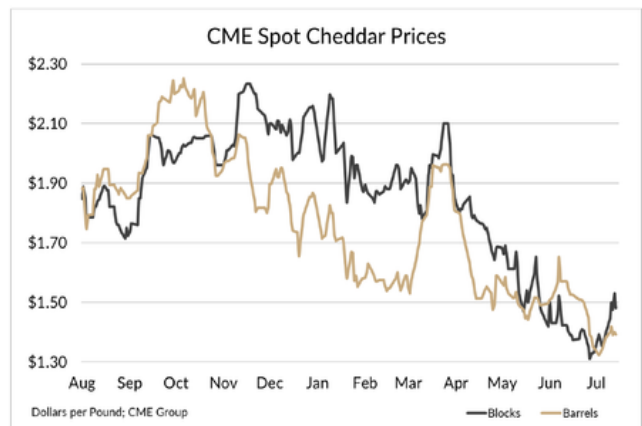
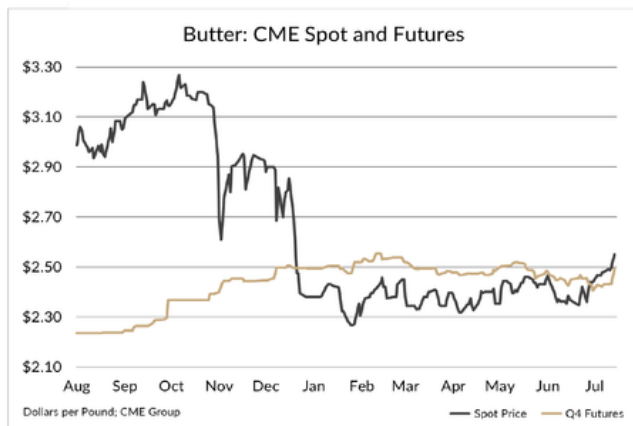
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# WEEKLY MARKET UPDATE


Decent demand and tightening cream supplies lent support to the CME butter market, which climbed above \$2.50 per pound to new year-to-date highs. Forty-five loads changed hands, making it the busiest trading week since August 2022.

- Spot blocks climbed over \$1.50 per pound as low prices triggered buyer interest. While prices dropped back into the \$1.40s, they still finished the week higher. Barrel volume remained historically high, but far below the recent pace.
- Fourth quarter Class IV followed spot butter up, settling at \$18.36 per hundredweight, 69 cents higher on the week. Fourth quarter Class III also climbed, ending the week at \$17.42 per hundredweight, up 28 cents.
- WMP prices dropped at the most recent GlobalDairyTrade Pulse event, but spot NDM jumped higher as reports suggest decent demand from Mexico.
- USDA’s World Agricultural Supply and Demand Estimates report pegged US corn ending stocks at 2.262 billion bushels, above the pre-report consensus of 2.260 billion. USDA pegged soybean ending stocks at 300.0 million bushels, far above expectations for 199.0 million.
- Rains in key growing regions benefited US crops. As of July 9, 55% of the crop was in good or excellent condition compared to 51% the previous week. The soybean crop also improved, though at a slower pace, with 51% good or excellent compared to 50% the week before.
- Grain futures climbed as reports of better global demand gave support to corn and soybean prices.
- The inflation rate continued to slow in June. Prices rose 0.2% on the month and +3.0% versus 2022. Overall food inflation advanced 0.1% versus May and +5.7% year-over-year.



Dairy Revenue Protection Program			
	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
October - December 2023			
Class III	\$17.42	\$16.55	\$0.26
Class IV	\$18.36	\$17.45	\$0.22
January - March 2024			
Class III	\$17.77	\$16.88	\$0.33
Class IV	\$18.36	\$17.44	\$0.38
April - June 2024			
Class III	\$17.87	\$16.98	\$0.37
Class IV	\$18.51	\$17.58	\$0.41
July - September 2024			
Class III	\$18.14	\$17.24	\$0.43
Class IV	\$18.60	\$17.67	\$0.48
October - December 2024			
Class III	\$18.10	\$17.20	\$0.51
Class IV	\$18.15	\$17.24	\$0.54

\*As of 7/14/2023 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola  
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Jul-10	\$1.4450	\$1.4000	\$2.4925	\$1.0775	\$0.2275
Jul-11	\$1.5000	\$1.4200	\$2.4875	\$1.0775	\$0.2275
Jul-12	\$1.4750	\$1.3900	\$2.4975	\$1.0825	\$0.2250
Jul-13	\$1.5300	\$1.4000	\$2.5300	\$1.1150	\$0.2425
Jul-14	\$1.4800	\$1.3925	\$2.5500	\$1.1050	\$0.2475
Average	\$1.4860	\$1.4005	\$2.5115	\$1.0915	\$0.2340
Weekly Change	0.0875	0.0125	0.0700	0.0175	0.0200

Order 51: Latest Prices					
	Mar	Apr	May	Jun	Jul
Class I LA	\$21.29	\$21.15	\$21.87	\$20.31	\$19.62
Class II	\$19.52	\$19.20	\$19.11	\$18.83	
Class III	\$18.10	\$18.52	\$16.11	\$14.91	
Class IV	\$18.38	\$17.95	\$18.10	\$18.26	
PPD	\$0.69	\$0.10	\$1.55	\$1.51	
Blend: LA*	\$18.79	\$18.62	\$17.66	\$16.42	
Blend: Tulare*	\$18.29	\$18.12	\$17.16	\$15.92	

\*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
	Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin
2022 Program	Jul-22	\$ 25.70	\$ 15.78	\$ 9.92	\$ -
	Aug-22	\$ 24.30	\$ 16.22	\$ 8.08	\$ 1.42
	Sep-22	\$ 24.40	\$ 15.78	\$ 8.62	\$ 0.88
	Oct-22	\$ 25.90	\$ 15.19	\$ 10.71	\$ -
	Nov-22	\$ 25.60	\$ 14.71	\$ 10.89	\$ -
	Dec-22	\$ 24.70	\$ 14.94	\$ 9.76	\$ -
2023 Program	Jan-23	\$ 23.10	\$ 15.16	\$ 7.94	\$ 1.56
	Feb-23	\$ 21.60	\$ 15.41	\$ 6.19	\$ 3.31
	Mar-23	\$ 21.10	\$ 15.02	\$ 6.08	\$ 3.42
	Apr-23	\$ 20.70	\$ 14.86	\$ 5.84	\$ 3.66
	May-23	\$ 19.30	\$ 14.47	\$ 4.83	\$ 4.67
	Jun-23	\$ 18.60	\$ 13.91	\$ 4.69	\$ 4.81
	Jul-23	\$ 17.86	\$ 13.84	\$ 4.02	\$ 5.48
	Aug-23	\$ 18.64	\$ 13.23	\$ 5.41	\$ 4.09
	Sep-23	\$ 19.35	\$ 12.58	\$ 6.77	\$ 2.73
	Oct-23	\$ 20.21	\$ 12.39	\$ 7.82	\$ 1.68
	Nov-23	\$ 20.94	\$ 12.41	\$ 8.53	\$ 0.97
	Dec-23	\$ 20.98	\$ 12.43	\$ 8.54	\$ 0.96

Estimates only. As of 7/14/2023 and based on futures markets which can change daily.

