

The following article was originally published in the CDQAP newsletter and offers great resources and information about the progress of HPAI in Dairy Cattle. Since the publication of this article, HPAI has been confirmed in 10 herds in California. [To date, 206 herds across 14 states have been affected.](#) As a reminder, [WUD website offers more resources and a PPE order form.](#)

Progress with Bird Flu in Dairy Cattle

By Dr. Michael Payne, UC Davis, School of Veterinary Medicine, Director, CDQAP

Considerable progress has been made in understanding both viral transmission and food safety. In addition, there is new financial assistance available for producers managing both infected and uninfected farms.

- **Dairy Food Safety Reaffirmed** – FDA announced results of its [second round](#) of commercial dairy product sampling. Consistent with the [first round](#) of FDA testing, the “Gold Standard” egg inoculation assay confirms that pasteurization inactivates any virus present.
- **Transmission Pathways Confirmed** – Recent [studies](#) by USDA support that milk contamination remains the most important method of viral transfer. This is consistent with other recent research demonstrating that the virus can live on [milking equipment](#) for at least an hour. Transmission however can also occur through nose or mouth contact with infected cows.
- **Vaccine Research Underway** – USDA reports that at least two dozen companies are developing a cattle vaccine for Avian Influenza. In addition the US Department of Health and Human Services awarded \$176 million to the Moderna company to develop a [mRNA vaccine](#) for humans, similar to recent COVID vaccines.
- **Funding for Uninfected Farms** – USDA’s Animal and Plant Health Inspection Service (APHIS) will [compensate producers](#) for consultation costs up to \$1,500 to develop biosecurity plans, audits or employee training. APHIS will also pay up to \$100 per month for shipping [surveillance samples](#) to a certified lab. Finally, USDA’s Farm Service Agency (FSA) is offering [direct loans](#) for biosecurity measures including physical barriers to wildlife and unauthorized visitors.
- **Funding for Infected Farms** – In addition to the above, for infected premises APHIS will pay up to \$8,000 to implement onfarm heat treatment for hospital milk. APHIS will also pay up to \$10,000 for veterinary costs related to HPAI and up to \$2,000 per month for employee PPE. Finally, USDA FSA is providing [payments for milk lost](#) due to HPAI. Most California operations however may not meet the program’s average gross income (AGI) limitation of \$900,000.

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

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

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

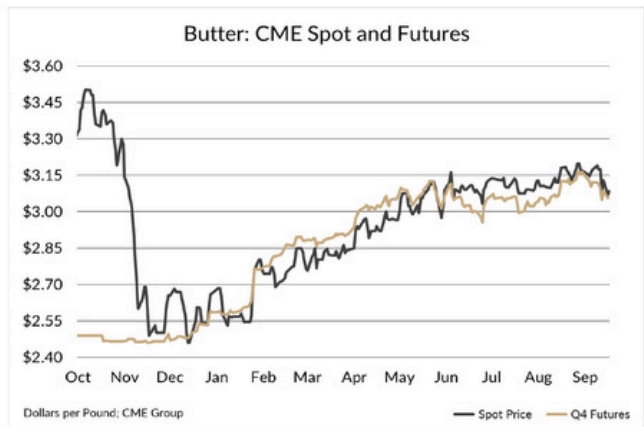
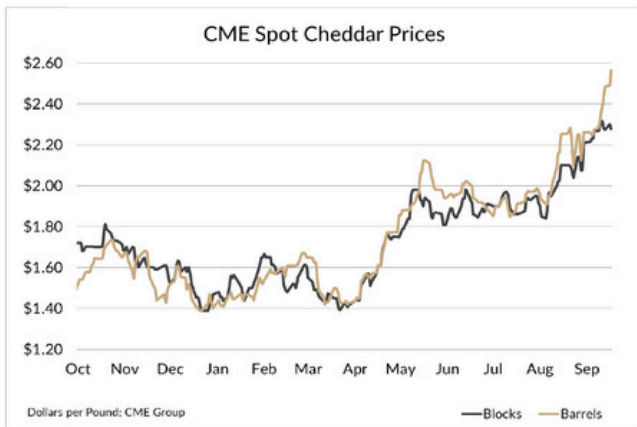
WEEKLY MARKET UPDATE

Tighter cheddar production and increasing prices in Europe helped drive CME barrels to a new all-time high of \$2.5650 per pound. Spot block prices have eased a bit, but remain elevated in the upper \$2.20s. Trading volume has been relatively low.

- The CME butter market continues to seesaw up and down. After easing on Monday to the lowest level since June, prices rose Tuesday to settle just under \$3.10. While supplies appear adequate, reports indicate buyers are still anxious ahead of the holiday season.
- Milk powder prices rose at the latest GlobalDairyTrade auction, with SMP up 2.0% to \$1.27 per pound. China continued to pick up product, though buying activity may be due to seasonality rather than a significant uptick in demand.
- In Chicago, the spot NDM market traded within a narrow, one-cent range through the week. Tight supplies and higher global prices are offering support to the market, keeping prices in the upper \$1.30s.
- The HPAI virus has reached some California


dairies. State and federal agencies have report confirmed cases on eight dairies in the Central Valley. So far, other states where the disease has spread have logged modest decreases in overall statewide milk output.

- In its September World Agricultural Supply and Demand Estimates report, USDA unexpectedly increased its predictions for US corn yield. With hot, dry weather in key growing regions, many analysts had predicted yields to decrease or remain the same. Other report data was primarily in line with expectations.
- Nearby grain futures didn't have major reactions to the WASDE report. December corn and November soybean contracts both ticked higher on the week.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
January - March 2025		
Class III	\$20.08	\$19.07
Class IV	\$21.80	\$20.71
April - June 2025		
Class III	\$19.11	\$18.15
Class IV	\$21.55	\$20.48
July - September 2025		
Class III	\$19.42	\$18.45
Class IV	\$21.42	\$20.35
October - December 2025		
Class III	\$19.25	\$18.29
Class IV	\$21.03	\$19.98

*As of 9/17/2024 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Sep-11	\$2.3150	\$2.3850	\$3.1750	\$1.3975	\$0.5900
Sep-12	\$2.2800	\$2.4350	\$3.0850	\$1.3950	\$0.5900
Sep-13	\$2.2750	\$2.4850	\$3.1300	\$1.3925	\$0.6050
Sep-16	\$2.3000	\$2.4900	\$3.0700	\$1.3900	\$0.5900
Sep-17	\$2.2775	\$2.5650	\$3.0850	\$1.3925	\$0.5950
Average	\$2.2895	\$2.4720	\$3.1090	\$1.3935	\$0.5940
Weekly Change	-0.0275	0.2250	-0.0900	-0.0025	0.0050

Order 51: Latest Prices					
	May	Jun	Jul	Aug	Sep
Class I LA	\$20.76	\$22.38	\$23.41	\$23.62	\$23.90
Class II	\$21.50	\$21.60	\$21.82	\$22.05	
Class III	\$18.55	\$19.87	\$19.79	\$20.66	
Class IV	\$20.50	\$21.08	\$21.31	\$21.58	
PPD	\$0.85	\$0.79	\$1.05	\$2.10	
Blend: LA*	\$19.40	\$20.66	\$20.84	\$23.60	
Blend: Tulare*	\$18.90	\$20.16	\$20.34	\$23.20	

*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
	Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin
2024 Program	Jan-24	\$ 20.10	\$ 11.62	\$ 8.48	\$ 1.02
	Feb-24	\$ 20.60	\$ 11.16	\$ 9.44	\$ 0.06
	Mar-24	\$ 20.70	\$ 11.05	\$ 9.65	\$ -
	Apr-24	\$ 20.50	\$ 10.90	\$ 9.60	\$ -
	May-24	\$ 22.00	\$ 11.48	\$ 10.52	\$ -
	Jun-24	\$ 22.80	\$ 11.14	\$ 11.66	\$ -
	Jul-24	\$ 22.80	\$ 10.47	\$ 12.33	\$ -
	Aug-24	\$ 23.36	\$ 10.02	\$ 13.34	\$ -
	Sep-24	\$ 25.23	\$ 9.94	\$ 15.30	\$ -
	Oct-24	\$ 26.35	\$ 10.04	\$ 16.32	\$ -
	Nov-24	\$ 26.45	\$ 10.13	\$ 16.32	\$ -
	Dec-24	\$ 25.54	\$ 10.23	\$ 15.31	\$ -

Estimates only. As of 9/17/2024 and based on futures markets which can change daily.

