

CASH DAIRY PRODUCT MARKETS

	Weekly Average for Week Ending:							Friday's
	<u>3/27/26</u>	<u>4/3/26</u>	<u>4/10/26</u>	<u>4/17/26</u>	<u>4/24/26</u>	<u>5/1/26</u>	<u>5/8/26</u>	Close
CME Cheddar 40# Blocks	\$ 1.6305	\$ 1.6306	\$ 1.6080	\$ 1.5765	\$ 1.6190	\$ 1.6430	\$ 1.6350	\$1.6225
CME Cheddar Barrels	\$ 1.5710	\$ 1.5856	\$ 1.5840	\$ 1.5750	\$ 1.5910	\$ 1.6150	\$ 1.6090	\$1.6000
CME Grade "AA" Butter	\$ 1.8155	\$ 1.7856	\$ 1.7425	\$ 1.7505	\$ 1.7010	\$ 1.6505	\$ 1.6200	\$1.6650
CME NFDM	\$ 1.9140	\$ 1.9450	\$ 2.0295	\$ 2.1640	\$ 2.2370	\$ 2.2590	\$ 2.2845	\$2.2900
CME Whey	\$ 0.6760	\$ 0.6888	\$ 0.6970	\$ 0.7000	\$ 0.6995	\$ 0.7025	\$ 0.6970	\$0.7000
NDPSR Survey For Week Ending:	<u>3/14/26</u>	<u>3/21/26</u>	<u>3/28/26</u>	<u>4/4/26</u>	<u>4/11/26</u>	<u>4/18/26</u>	<u>4/25/26</u>	<u>5/2/26</u>
Cheddar 40# Blocks:	\$1.5592	\$1.5891	\$1.6084	\$1.6217	\$1.6487	\$1.6563	\$1.6466	\$1.6452
Butter	\$1.9373	\$1.8913	\$1.9030	\$1.8136	\$1.7696	\$1.7494	\$1.7450	\$1.7152
Nonfat Dry Milk	\$1.5451	\$1.5864	\$1.6275	\$1.6832	\$1.7230	\$1.8270	\$1.8708	\$2.0222
Whey	\$0.6761	\$0.6671	\$0.6581	\$0.6553	\$0.6458	\$0.6501	\$0.6342	\$0.6353
Class III Estimator	\$16.64	\$16.86	\$16.97	\$17.06	\$17.26	\$17.35	\$17.19	\$17.14
Class IV Estimator	\$19.33	\$19.49	\$19.88	\$19.99	\$20.15	\$20.95	\$21.31	\$22.49

MONTHLY MILK AND MILK COMPONENT PRICES

<u>For Month:</u>	<u>25-Sep</u>	<u>25-Oct</u>	<u>25-Nov</u>	<u>25-Dec</u>	<u>25-Jan</u>	<u>25-Feb</u>	<u>25-Mar</u>	<u>25-Apr</u>
FMMO Class I Base Price	\$18.70	\$18.04	\$16.75	\$18.21	\$16.35	\$14.70	\$15.47	\$18.66
FMMO Class II Price	\$17.59	\$16.02	\$14.54	\$14.41	\$13.92	\$15.34	\$17.34	\$18.82
FMMO Class III	\$17.59	\$16.91	\$17.18	\$15.86	\$14.59	\$14.94	\$16.16	\$16.82
FMMO Class IV	\$16.17	\$14.30	\$13.89	\$13.64	\$13.55	\$16.29	\$18.94	\$20.22
FMMO Producer Component Prices Per Pound								
Milkfat	\$2.1925	\$1.8252	\$1.7061	\$1.5761	\$1.4525	\$1.7794	\$2.0220	\$1.8692
True Protein	\$2.7062	\$2.8761	\$3.0143	\$2.4563	\$2.1768	\$1.9373	\$2.0905	\$2.5190
Other Solids	\$0.3207	\$0.3360	\$0.3859	\$0.4352	\$0.4448	\$0.4391	\$0.4178	\$0.3880

CHICAGO MERCANTILE EXCHANGE (CME) FUTURES MARKETS

Closing Prices	<u>MAY26</u>	<u>JUN26</u>	<u>JUL26</u>	<u>AUG26</u>	<u>SEP26</u>	<u>OCT26</u>	<u>NOV26</u>	<u>DEC26</u>
Cash Settled Butter (¢ / lb.):	166.000	169.750	168.750	173.275	179.575	181.500	183.000	177.250
Change from last week (¢ / lb.):	(1.00)	6.75	(7.25)	2.53	4.33	1.85	1.23	(4.25)
Cash Settled Cheese (\$ / lb.):	\$1.660	\$1.686	\$1.733	\$1.763	\$1.792	\$1.808	\$1.795	\$1.740
Change from last week:	\$0.001	\$0.002	(\$0.003)	(\$0.009)	(\$0.007)	(\$0.012)	\$0.011	(\$0.005)
Class III Milk Contract, 3.5% Fat	\$16.96	\$17.33	\$18.00	\$18.39	\$18.68	\$18.92	\$18.65	\$18.12
Change from last week:	(\$0.07)	\$0.00	\$0.11	(\$0.02)	(\$0.07)	\$0.02	\$0.07	(\$0.12)

DAIRY NEWS OF INTEREST

DAIRY MARKETS REVIEWED

U.S. dairy production continued to show steady growth in March 2026, with gains reported across cheese, butter, milk powders, and dry whey production. Total cheese production reached 1.26 billion lbs, up 8.1% from February and 1.2% higher than a year ago. Italian-style cheeses led the increase, climbing to 542 million lbs, while American-type cheese production rose from the previous month but remained below last year's levels.

Butter production also moved higher in March, totaling 232 million lbs, an increase of 4.1% month-over-month and 1.2% above March 2025. Nonfat dry milk production posted one of the strongest gains, jumping 15.4% from February and nearly 10% year-over-year. Skim milk powder production saw even sharper growth, although manufacturer stocks for both products remain below last year's levels. Dry whey production strengthened as well, rising 16.8% from the prior month and 3.6% from a year earlier. Stocks increased modestly from February but were slightly below 2025 levels.

On the global side, the May 5 Global Dairy Trade auction posted an overall gain of 1.5%. Prices were mixed across commodities, with mozzarella, skim milk powder, and whole milk powder all moving higher, while butter and cheddar declined. GDT butter prices continue to trade well above CME spot butter values, highlighting ongoing strength in international dairy markets and may foretell the prices that U.S. products will need to sell at to be attractive on an international stage.

Cuts to the Supplemental Nutrition Assistance Program (SNAP) are already impacting dairy demand as stricter eligibility rules reduce enrollment. Federal data shows SNAP participation has fallen 8%, or nearly 3.5 million people, with as many as 6 million more expected to lose benefits once new work and age requirements are fully implemented. Some states, including Arizona, have seen even steeper declines.

Before the cuts, 42.1 million Americans received SNAP benefits totaling \$101.7 billion in fiscal year 2025. Dairy products accounted for an estimated 6.4% to 10% of SNAP spending, with about \$6.4 billion spent on dairy purchases in 2024 alone. Fluid milk has consistently ranked among the program's top purchased foods. While reduced SNAP enrollment is expected to create up to a \$4 billion shortfall in dairy sales, the Healthy Fluid Milk Incentives (HFMI) program continues to expand. USDA recently awarded Auburn University Hunger Solutions Institute a \$2.99 million grant to grow the initiative across 169 SNAP-authorized stores in nine states.

Since 2020, HFMI has expanded to more than 1,270 stores in 33 states, helping SNAP recipients purchase more skim and 1% milk. Between May 2023 and September 2025, SNAP participants bought more than \$4.3 million worth of low-fat milk products using the program, while sales of skim and 1% milk at participating stores increased 72% between fiscal years 2024 and 2025.

Although HFMI is helping support milk sales, industry experts say it will not fully offset the broader decline in dairy purchases tied to shrinking SNAP participation.

Prepared by Grady John Auer NAJ inc. GM

An NAJ inc. Board member recently asked me what the DMC figure was for March (9.57\$), if it's of interest to one member it may be of interest to many more. I'll post that USDA calculated margin here in the future.