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Dairy EXCELLENCE
Dairy Week In Review



Dated January 7, 2026

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Dec.)	\$ 15.09/cwt.	▼ 4.9 %	▼ 5.5 %	▼ 26.3 %
Class IV Milk Price (Dec.)	\$ 13.45/cwt.	—	▼ 2.3 %	▼ 35.9 %
Corn (Mar.)	\$ 4.44/bushel	▲ 0.5 %	▲ 0.7 %	▼ 3.1 %
SBean Meal (Jan.)	\$ 294.7/ton	▼ 1.4 %	▼ 1.2 %	▼ 1.3 %
DMC Margin (Nov.)*	\$ 10.04/cwt.	—	▼ 12.8 %	▼ 29.7 %

*Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.

Markets:

- Based on the most recent USDA Agricultural Prices report, November's margin was calculated to be \$10.04 per cwt, just 54 cents above the \$9.50 per cwt trigger. Even though November's margin fell from October's \$10.87, no indemnities were paid out at any coverage level.
- The falling milk prices are one of the main drivers narrowing the milk margin above feed costs. From September to November, the all-milk price continued to fall from August's \$20.90 per cwt to \$19.70 in November, down \$1.20 per cwt. November 2025's all-milk price dropped by 30 cents month over month and by \$4.50 year over year. November's all-milk price has reached a low not seen since August 2023.
- While milk prices experienced a steady decline over the past few months, total feed costs fluctuated, rising from August's \$9.38 to \$9.53 in September, then falling to \$9.48 per cwt in October. November's calculated feed costs experienced an 18-cent uptick from October to \$9.66 per cwt. Premium alfalfa hay fell \$7.00 per ton from October \$223 to November's \$216 per ton. Month over month, corn prices experienced a 5-cent bump to \$3.98 per bushel for November. From October to November, soybean meal increased from \$300.68 per ton to \$330.87 in November, a \$30.19 per ton increase.
- Updated January 2, the DMC Decision Tool forecasts December's margin to fall below the \$9.50 per cwt trigger to \$8.83 per cwt. If these projections hold true, December will be the only month for program year 2025 in which participants will receive an indemnity of 67 cents per cwt. As of today, there has been no information released on DMC enrollment for program year 2026.
- On December 31, 2025, the USDA announced December's Class II Price to be \$14.41 per cwt, down 13 cents from the prior month. The Class III and Class IV Prices were \$15.86 and \$13.64 per cwt, decreasing by \$1.32 and 25 cents per cwt, respectively. For December 2025, the butterfat price fell to \$1.5761 per lb., a \$1.3343 drop from the same month the prior year. The protein price was announced to be \$2.4563 per lb. for December, up 50 cents year over year and down 56 cents month over month.

Government/Industry:

- On December 31, 2025, U.S. Secretary of Agriculture, Brooke Rollins, announced the payment rates for eligible commodities covered under the Farmer Bridge Assistance (FBA) program. Earlier in December, President Trump and Secretary Rollins made their initial announcement that \$12 billion in federal funding will be paid to U.S. row crop farmers in 2026 with \$11 billion being allocated to one-time program payments. The FBA payments will be based on 2025 planted acres. Double crop acreage, including initial and subsequently planted crops, are eligible as well. Contact your local FSA office for more details.
- Hosted by the Professional Dairy Managers of Pennsylvania and Center for Dairy Excellence, the PA Dairy Summit on February 4-5 in Grantville, PA, The Summit program is packed with speakers that will help you and your farm to find your True North. With producer-led sessions on relevant, real-time issues, attendees can drill down their strengths, network with peers, and discover their passion. Dairy producers can attend the full, two-day Dairy Summit for a discounted rate of \$100, with one-day rates available. To register or check out the program, visit www.padairysummit.org.
- The Center is still accepting applications for their Dairy Decision Consultants (DDC) and Transition/Transformation Team grants. For the DDC grants, awardees can receive up to \$4,500 to work with an approved Dairy Decisions Consultant and discuss management, marketing, and financial strategies for your farm.. To learn more or apply, visit www.centerfordairyexcellence.org/ddc. For the Team grants, farms utilize the funding to build their own team to help them develop transition plans or navigate tricky business decisions. Eligible farms can receive up to \$3,500 in funding. For more information, visit www.centerfordairyexcellence.org/grants. If you have additional questions, reach out to Melissa Anderson at manderson@centerfordairyexcellence.org or (717) 788-0296.