



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review



Dated January 14, 2026

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Jan.)	\$ 14.77/cwt.	▼ 2.1 %	▼ 6.8 %	▼ 27.1 %
Class IV Milk Price (Dec.)	\$ 13.40/cwt.	▼ 0.4 %	▼ 3.0 %	▼ 36.1 %
Corn (Mar.)	\$ 4.20/bushel	▼ 5.4 %	▼ 3.7 %	▼ 11.4 %
SBean Meal (Jan.)	\$ 286.4/ton	▼ 2.8 %	▼ 5.3 %	▼ 4.0 %
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 recent forecasts, Dairy Margin Coverage (DMC) margins in 2026 start at a low of \$7.37 per hundredweight (cwt.) in January and increase throughout the year to \$9.94 in November before dropping to \$9.84 in December for an average margin of \$8.51 per cwt. If realized, this would result in a total net indemnity payment of \$8,300 per one million pounds of production covered at the maximum \$9.50 level for Tier 1, after the premium is deducted from the total indemnity amount but before any sequestration.
- For those enrolled in the DMC Program in 2025, December's margin is projected to be \$8.91 per cwt and will be announced at the end of the month. If realized, this would be the first month that the margin fell below the \$9.50 threshold in 2025, with an average margin of \$11.10 per cwt, well above the projected average margin for the coming year.

Government/Industry:

- USDA opened Dairy Margin Coverage (DMC) enrollment for the 2026 Program Year on January 12. The One Big Beautiful Bill Act, passed in July 2025, increased DMC's Tier 1 coverage level from five million pounds to six million pounds. All dairy operations that elect to enroll in DMC for 2026 will establish a new production history. Existing dairy operations that started marketing milk on or before January 1, 2023, will use the higher of milk marketings for the years of 2021, 2022, or 2023. New dairy operations starting after January 1, 2023, will use their first year of monthly milk marketings, even for a partial year. Milk marketing statements or production evidence are required to establish a production history.
- For the 2026 DMC program, dairy operations also have the option to lock in coverage levels for six years (2026-2031) with premium fees discounted by 25%. The OBBBA reauthorized DMC for calendar years 2026 through 2031. It is important to remember that the USDA DMC Program is intended to provide a safety net against very low milk prices. This coming year may be a time when dairy farms will need a safety net more than ever. To learn more about the program, visit your local USDA Farm Service Agency office.
- 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 can 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.
- On Friday, January 23 from 12 to 1 p.m., the Center will host their bi-monthly "Protecting Your Profits" webinar titled "From Surviving to Thriving: Navigating Downturns and Knowing Your Numbers," with guest speaker Ava Hasbrook from Legacy Farmer. During the webinar, she will cover how dairy farmers can evaluate and forecast their long term stability with their current funds, as well as the importance of planning for future now versus later. She will also provide some insight into how to measure long term strength, surviving economic downturns, and how investments made today can dictate a farm's viability in 10 years. To add it your calendar, to learn more about our speaker, and for more information, visit www.centerfordairyexcellence.org/events.