



CENTER FOR
Dairy EXCELLENCE
Dairy Week In Review



Dated July 23, 2025

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Jul)	\$17.40/cwt.	▲ 0.3 %	▼ 6.8 %	▼ 12.5 %
Class IV Milk Price (Jul)	\$ 19.01/cwt.	—	▲ 3.0 %	▼ 11.3 %
Corn (Sep.)	\$ 3.99/bushel	▼ 0.5 %	▼ 4.1 %	▼ 0.7 %
SBean Meal (Aug.)	\$ 273.8/ton	▲ 3.2 %	▼ 2.4 %	▼ 20.1 %
DMC Margin (May)*	\$ 10.40/cwt.	—	▼ 0.2 %	▼ 1.1 %

**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 Milk Production report, May's U.S. milk production was revised from a previous 1.6 increase to a 2.4 increase year over year. For June, U.S. milk production estimates totaled 19.2 billion pounds, a 3.3 increase from June 2024 to 2025. Production per cow reached 2,031 pounds, up 33 pounds from the same month the previous year. Over the same timeframe, the U.S. dairy herd grew by 151,000 head. With the significant increase in cow numbers, the U.S. could likely see steady milk supply growth over the coming months.
- In June, Pennsylvania felt a slight dip in production from the same month in the prior year. Oregon and Washington saw steeper declines in milk production at 1.9 percent and 9.4 percent year over year, respectively. In the Pacific Northwest, Washington's dairy cattle inventories are down from June 2024's levels and dairy farm dispersals are on the rise.
- With highly pathogenic avian influenza (HPAI) hopefully behind California's dairies and favorable weather conditions, the Golden State's milk supply increased 2.7 percent from June 2024 to 2025. Kansas, South Dakota, and Idaho experienced noticeable bumps in milk production at 19.0, 11.5, and 9.7 percent, respectively. Idaho is also recovering from production decreases related to HPAI in their dairies in June of last year. Growing cow numbers and dairy processing capacity fueled the significant increases in Kansas' and South Dakota's milk production.
- Based on *Fortune Business Insights'* recent report on ice cream consumption and consumer trends, global ice cream sales are expected to increase from \$79.08 billion in 2024 to a projected \$132.32 billion by 2032, a forecasted 67 percent bump over the nine year period. U.S. ice cream processors produced 1.31 billion gallons of ice cream with a \$11.6 billion impact on the U.S. economy according to recent International Dairy Food Association (IDFA) data. The U.S. ice cream industry also generates \$1.9 billion in direct wages and provides 26,704 direct jobs.
- While North America could hold the second largest global market share, the Asia Pacific region held the highest market share in 2023 at 32.83 percent. With rising fast food consumption, increasing disposable income, and western culture influences, the Asia Pacific region continues to hold the largest global market share and is projected to grow at a 5.63 percent CAGR over the forecasted period.

Government/Industry:

- On July 22, President Trump announced a trade agreement between the U.S. and Japan. The deal outlines that U.S. importers pay 15 percent tariffs, which will extend to automobiles and car parts, on Japanese products exported to the United States. This gives Japan an advantage over other major vehicle exporters who face a potential 25 percent levy on the automotive sector since April. Japan is the U.S.' fifth-largest source of imports with some of the top goods purchased from there being cars, car parts, agricultural and construction machinery.
- Join the Center on September 10 at the Harrisburg Farm Show Complex from 8 a.m. to 2 p.m. for their annual Dairy Financial and Risk Management Conference. This year, the conference line-up is stacked with speakers and panels centered around "leveling up" Pennsylvania's dairy. Attendees will gain valuable insight into global markets and policy, what sets dairy's best and brightest apart, firsthand accounts of producers who were able to turn their farms around financially, and more. To register or read more about the conference, visit www.centerfordairyexcellence.org/financial-conference.