



Dated August 13, 2025

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Aug)	\$ 17.43/cwt.	▲ 0.2 %	▲ 1.2 %	▼ 15.3 %
Class IV Milk Price (Aug)	\$ 18.54/cwt.	▼ 2.2 %	▼ 2.5 %	▼ 14.2 %
Corn (Sep.)	\$ 3.71/bushel	▼ 2.6 %	▼ 9.7 %	▼ 1.6 %
SBean Meal (Aug.)	\$ 273.6/ton	—	▲ 2.4 %	▼ 10.8 %
DMC Margin (June)*	\$ 11.10/cwt.	—	▲ 6.7 %	▼ 4.9 %

*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:

- Inflation continues to weigh on global food prices, with the Food and Agriculture Organization reporting a 1.6 percent month to month increase in the agency's food price index (FFPI) last month. July's index was 130.1 points, at its highest level since early 2023. In line with the higher beef prices helping to aid farmer margins right now, strong beef demand pushed the meat index up 1.2 percent. In contrast, the dairy price index fell 0.1 percent from the previous month to 155.3 points. That's up 21.5 percent from a year ago and near the all-time high that was reached in June 2022.
- At the halfway point, 2025 US dairy exports are at 1.1364 billion metric tons, up 1.2 percent from year-ago levels. On a dollar basis, the total value of exports this year is 15 percent above last year at \$4,724.3 million. Cheese exports are up 12 percent, while butterfat exports are up 151 percent. Whole milk powder exports are up 47 percent, while skim milk powder and nonfat dry milk exports are down 11 percent. Dry whey products are down 2 percent from year-ago levels despite a 22 percent increase year over year in June. Dairy export volumes in 2025 lagged behind 2024 levels in four out of five of the previous months before surging well above both 2023 and 2024 levels in June.
- The latest USDA Dairy Products report shows butter production up 10.4 percent from a year ago to 185 million pounds. Year to date, butter production is up 4.6 percent to 1,261.85 billion pounds. Total cheese production is also up, with output in June up 2.9 percent year over year to 1,203.4 million pounds. For the first six months of the year, total cheese production is up 1.7 percent to 7,261.54 million pounds. Declines in the first three months of the year in cheese production were offset by gains in the last three months.
- USDA announced the July Class III price earlier this month at \$17.32 per hundredweight, down \$1.50 from June and \$2.55 below year-ago levels. The Class IV price was announced at \$18.89 per hundredweight, up 59 cents from June, but down \$2.42 from year-ago levels. Looking ahead, Class III milk futures prices are averaging \$18.20 per cwt., while Class IV milk futures prices average \$19.25 per cwt. As a comparison, the annual average for Class III prices in 2024 was \$18.89 per cwt. while the annual average for Class IV prices was \$20.75 per cwt.

Government/Industry:

- On August 11, President Trump executed another 90-day extension on the 34 percent U.S. tariffs on Chinese imports. The heightened tariffs were originally set to go into effect on August 12 but have been pushed back to November. In May, China and the U.S. agreed to cease tariff escalations once duty rates crossed into the triple digits. Since this truce, China lowered its retaliatory tariffs by 10 percent on U.S. products.
- 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 centered around "leveling up PA dairy." Attendees will gain valuable insight into global markets and policy, what sets dairy's best and brightest apart, firsthand accounts of producers who navigated rock bottom years, and more. To register, scan the QR code.

