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**Dairy** EXCELLENCE  
 Dairy Week In Review



Dated October 29, 2025

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Oct.)	\$16.92/cwt.	▼ 0.4 %	▼ 3.7 %	▼ 25.6 %
Class IV Milk Price (Oct.)	\$ 14.15/cwt.	—	▼ 13.6 %	▼ 32.3 %
Corn (Dec.)	\$ 4.32/bushel	▲ 2.1 %	▲ 4.1 %	▲ 4.3 %
SBean Meal (Dec.)	\$ 306.5/ton	▲ 7.5 %	▲ 15.4 %	▲ 1.6 %
DMC Margin (Aug.)*	\$ 11.52/cwt.	—	▲ 5.3 %	▼ 16.0 %

*\*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:**

- According to a recent American Farm Bureau Federation column, the U.S. cattle herd is in its seventh year of contraction and in year 12 of the cattle cycle. If positive economic returns continue, farmers could be incentivized to rebuild the nation's cattle herd, but if prices take a turn for the worse, contraction could persist. U.S. cattle supplies were at the lowest in 74 years at 86.7 million head in January 2025. This was a result of record-high production costs, unprofitable prices, and ongoing drought.
- Even though beef prices are at all time highs, beef demand remains strong. September's WASDE report forecasts U.S. beef consumption to hold strong throughout the rest of 2025 at 28.6 billion pounds; however, it is expected to fall to 28 billion pounds in 2026. Beef futures prices did show some vulnerability this week, with January futures prices for live feeders dropping 11.5 percent and for live cattle dropping 9 percent in just one day of trading.
- Nearing 1.2 million metric tons or 10% of U.S. consumption year-to-date, beef imports have reached record highs to meet domestic ground beef demand. Brazilian beef imports increased 94 percent to 260,000 metric tons from 2024 to 2025. With the U.S.-Mexico border closed due to the cases on New World Screwworm (NWS), the U.S. has ceased cattle imports from Mexico since July 9. Typically, the U.S. imports around 1.3 million head of cattle from Mexico.

**Government/Industry:**

- On October 23, the Trump administration announced they would increase the tariff rate quota for Argentine beef from 20,000 metric tons to 80,000 in an attempt to lower domestic beef prices. Once the quota is satisfied, the tariff would increase. Thus far, the U.S. has imported 30,000 metric tons of beef from Argentina and approximately 10,000 metric tons above the tariff rate quota, as well as 40 percent higher than the prior year's volume. While this is not expected to significantly impact consumer beef prices, feeder cattle futures prices have already dropped 7 percent since the announcement.
- The Penn State Extension Dairy Team and Lancaster DHIA will be hosting two in-person "Milk Matters: Boosting Quality, Records, and Profits" workshops on Nov. 14 (Chambersburg, PA) and on Dec. 3 (Airville, PA). During these workshops, producers will gain strategies for using data analysis to improve productivity, including advice on interpreting the 202 report, herd benchmarking, and leveraging milk records to aid milk quality improvements. Lunch will be provided, and registration is only \$10. To learn more or register, visit [www.https://extension.psu.edu/milk-matters-boosting-quality-records-and-profits](https://extension.psu.edu/milk-matters-boosting-quality-records-and-profits).
- On Nov. 18 (East Earl, PA) and Nov. 20 (State College, PA), join the Center for Dairy Excellence and Penn State Extension at one of their "Passing the Torch: Transition Planning Workshops." At these interactive, roundtable workshops, farm families can sit down with outside advisors to help navigate communication and family dynamics to develop an effective transition plan tailored to their operation. Don't miss your chance to sit down with experts to get one-on-one help with refining your farm's transition plan to fit your operation's needs. Visit [www.centerfordairyexcellence.org/passing-the-torch](http://www.centerfordairyexcellence.org/passing-the-torch) for more details or to register.