CENTER FOR
DairyEXCELLENCE

Dairy Week in Review

August 5, 2026

Dairy Prices	Price	Chge. from Week Ago	Chge. from Month Ago	Chge. from Year Ago
Class III Milk Price (Aug.)	$16.97/cwt	+7.6%	+8.8%	-2.4%
Class IV Milk Price (Aug.)	$17.24/cwt	-6.3%	-4.2%	-9.0%
Corn (Sep.)	$4.42/bu.	-3.5%	–	+16.0%
SBean Meal (Aug.)	$310.6/ton	-3.0%	-2.4%	+13.5%
DMC Margin (Jun.)	$10.88/cwt	–	+2.4%	-2.0%

**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:

- For the Dairy Margin Coverage program, the USDA announced June's margin to be $10.88 per hundredweight (cwt), a high so far for program year 2026. With the margin being $1.38 per cwt above the $9.50 trigger, no indemnities were paid out at any coverage level. June's margin was 26 cents above the prior month's margin at $10.62 per cwt and 22 cents under the $11.10 per cwt margin for June 2025.
- Month over month, the all-milk price fell by 20 cents from $21.30 to $21.10 per cwt, halting the steady rebound from January's $17.50 per cwt. Year over year, the all-milk price also experienced a decrease of 20 cents. Even though the all-milk price declined month over month, the feed costs experienced a greater overall decrease, further widening the margin from May to June. For June, the total feed costs landed at $10.22 per cwt, down 46 cents from May. From June 2025 to 2026, feed costs were up 2 cents from $10.20 per cwt.
- Based on the July 2026 USDA Cattle Inventory report, the inventory of all cows and calves in the U.S. totaled 94.2 million head, a 200,000-head increase from the July 2025 report with the lowest inventory on record.
- All cows and heifers that have calved totaled 38.1 million head, holding steady with the total number from July 2025. Of that total, beef cows accounted for 28.5 million head, down 1.0 percent from the same month the prior year. Dairy cow inventories grew by 2 percent year over year and landed at 9.65 million head. All heifers 500 pounds and over as of July 1, 2026, reached 14.7 million head, a 1.0 percent increase from the July 2025 report. Beef replacement heifers totaled 3.80 million head, up 3.0 percent year over year. Also, for July 2026, milk replacement heifer inventories landed at 3.60 million head, 3.0 percent above July 2025's levels.
- The 2026 calf crop is estimated at 32.5 million head, a 2.0 percent decrease from 2025. If realized, it would be the smallest calf crop on record, and this will mark the ninth year that the calf crop continued its decline. Overall, the cattle inventory experienced a small increase. Even though the milk cow and replacement heifer numbers experienced slight growth, with the decreasing calf crop, the U.S. herd is stabilizing rather than expanding.

Government/Industry:

- Join the Center at our 2026 Dairy Financial and Risk Management Conference held on September 9 at the Pennsylvania Farm Show Complex from 8 a.m. to 2:30 p.m. This year's theme is "Rewriting the Future," and the speakers will cover how to help dairy families navigate difficult communications, dairy markets, and risk management. There will also be a producer panel featuring dairies that have expanded by pursuing non-traditional partnerships with someone outside of their immedaite family. Secure your spot today by registering at www.centerfordairyexcellence.org/financial-conference.

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