


CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — FEB. 5, 2025 — except where noted



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January Cattle Inventory: Looking at the January 2025 USDA Cattle Inventory report, it confirms a continual decline in the overall U.S. cattle and calf inventories. All U.S. cattle and calf numbers were down 1% year over year to 86.7 million head.

All cow and all heifer (500 lbs. or over) numbers totaled 37.2 million and 18.2 million head, respectively. U.S. calf numbers (under 500 lbs.) were down slightly to 13.5 million head in January 2025 from January 2024's levels. The 2024 U.S. calf crop was estimated at 33.5 million head, slightly under 2023's total.

Beef cattle inventories followed the overarching trend of the total cattle numbers. Beef replacement heifers totaled 4.67 million head, a 1% decrease year over year.

Beef cow numbers declined 1% year over year, the lowest yet since 1965.

Dairy cattle numbers yielded mixed results. Dairy replacement heifer inventories dropped 1% year over year to 3.91 million head. Milk cow numbers were up slightly from January 2024 to 9.35 million head in January 2025.

With dairy heifer inventories so low and costs so high, we are seeing more dairies keeping their milk cows in production longer before culling.

Taking a look at Pennsylvania, all cattle and calf numbers were down 1% year over year. Pennsylvania's beef cow numbers decreased 5% from January 2024's 205,000 to 195,000 head. This could be due to beef producers responding to market pressures and shifting towards more profitable segments. However, Pennsylvania milk cow numbers held steady at 465,000 head in the same period.

The Pennsylvania dairy industry, like most of the Northeast, remains stable due to a more sustainable management approach and ample demand.

Despite highly pathogenic avian influenza (HPAI) impacting many California dairies, their milk cow numbers held steady from January 2024 to January 2025 at 1.71 million head. The

same can't be said for their beef cow numbers. Year-over-year, California beef cow inventories dropped 6% from 670 million to 630 million head. This could be due to higher-than-normal temperatures in 2024, which contributed to drought conditions and led to herds downsizing.

For the most part, our U.S. cattle inventories are contracting. Increased beef prices have led to more farmers selling heifers for market rather than breeding them.

With 2024 U.S. calf numbers down slightly from 2023's levels, it reinforces that producers were not able to rebuild their herds in the last year.

Also, we are noticing more dairies taking advantage of dairy-on-beef crossbreeding. While they're getting good money from feeder sales on these crossbreds, purebred beef and dairy replacement heifer pools are shrinking.




These conditions are great for sellers, but not so much for buyers. This could make it harder for farmers to expand their herds across the board going into 2025. While milk cow numbers are up for now, we could see a contraction of the milk cow inventory over time due to the lack or cost of replacements.

For dairy farmers, this could renew the focus on increasing production per cow rather than growing their herds. Either way, the current high cattle prices and the unpredictability of the market's future could present challenges for beef and dairy farmers as we move forward.

We can see from this report that managing risk is important. While Dairy Margin Coverage (DMC) helps with milk price volatility and doesn't directly address herd inventory problems, it can provide a safety net to help dairy producers manage margins and navigate market fluctuations. 2025 DMC enrollment is open through Mar. 31.


Visit your local FSA office to learn more about it or to get signed up.

Prices change daily. This market information is an example for educational purposes. The market data shown below are compiled weekly by Farmshine, via CME & USDA reports.


CME DAILY FUTURES & OPTIONS TRADING — FEB. 5, 2025 AT THE CLOSE

FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	TREND																																																																								
<div> <div>CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Feb-Apr25 firm to \$0.05 higher; May-Dec25 \$0.05-0.15 lower; Jan26 steady.</div> <div>12-Month Avg. 19.11</div> </div>												↓																																																																								
20.36	20.01	19.65	19.50	18.79	18.86	18.99	19.01	18.92	18.61	18.61	18.05	↓																																																																								
<div> <div>CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: Feb-Sep25 \$0.25-0.50 lower; Oct-Dec25 \$0.05-0.25 lower; Jan26 steady.</div> <div>12-Month Avg. 19.97</div> </div>												↓																																																																								
20.08	19.85	19.91	19.90	19.54	19.79	20.10	20.27	20.40	20.42	20.07	19.35	↓																																																																								
<div> <div>MILK BASIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST & MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY</div> <table> <tr> <td>Mailbox</td> <td>18.82</td> <td>18.25</td> <td>18.96</td> <td>18.48</td> <td>18.64</td> <td>18.27</td> <td>18.52</td> <td>18.15</td> <td>18.68</td> <td>18.38</td> <td>18.65</td> <td>18.35</td> <td>18.62</td> <td>18.41</td> <td>19.27</td> <td>18.75</td> <td>20.20</td> <td>20.58</td> <td>20.17</td> <td>20.25</td> <td>19.64</td> <td>19.22</td> <td>18.75</td> </tr> <tr> <td>Class III</td> <td>16.03</td> <td>16.03</td> <td>16.98</td> <td>16.98</td> <td>17.31</td> <td>17.31</td> <td>17.33</td> <td>17.33</td> <td>18.16</td> <td>18.16</td> <td>18.16</td> <td>18.16</td> <td>17.59</td> <td>17.59</td> <td>17.60</td> <td>18.72</td> <td>18.72</td> <td>19.07</td> <td>19.07</td> <td>17.30</td> <td>16.81</td> <td>16.81</td> </tr> <tr> <td>BASIS</td> <td>2.79</td> <td>2.22</td> <td>1.98</td> <td>1.50</td> <td>1.33</td> <td>0.96</td> <td>1.19</td> <td>0.82</td> <td>0.52</td> <td>0.22</td> <td>0.49</td> <td>0.19</td> <td>1.03</td> <td>0.82</td> <td>1.67</td> <td>1.15</td> <td>1.48</td> <td>1.04</td> <td>1.51</td> <td>1.10</td> <td>2.95</td> <td>2.34</td> <td>2.41</td> <td>1.94</td> </tr> </table> </div>													Mailbox	18.82	18.25	18.96	18.48	18.64	18.27	18.52	18.15	18.68	18.38	18.65	18.35	18.62	18.41	19.27	18.75	20.20	20.58	20.17	20.25	19.64	19.22	18.75	Class III	16.03	16.03	16.98	16.98	17.31	17.31	17.33	17.33	18.16	18.16	18.16	18.16	17.59	17.59	17.60	18.72	18.72	19.07	19.07	17.30	16.81	16.81	BASIS	2.79	2.22	1.98	1.50	1.33	0.96	1.19	0.82	0.52	0.22	0.49	0.19	1.03	0.82	1.67	1.15	1.48	1.04	1.51	1.10	2.95	2.34	2.41	1.94
Mailbox	18.82	18.25	18.96	18.48	18.64	18.27	18.52	18.15	18.68	18.38	18.65	18.35	18.62	18.41	19.27	18.75	20.20	20.58	20.17	20.25	19.64	19.22	18.75																																																													
Class III	16.03	16.03	16.98	16.98	17.31	17.31	17.33	17.33	18.16	18.16	18.16	18.16	17.59	17.59	17.60	18.72	18.72	19.07	19.07	17.30	16.81	16.81																																																														
BASIS	2.79	2.22	1.98	1.50	1.33	0.96	1.19	0.82	0.52	0.22	0.49	0.19	1.03	0.82	1.67	1.15	1.48	1.04	1.51	1.10	2.95	2.34	2.41	1.94																																																												




CORN FUTURES (\$/BU)													TREND
MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	JUL-27		
4.922	5.034	5.064	4.690	4.674	4.786	4.852	4.880	4.686	4.666	4.774	4.832	MIXED	

SOYMEAL FUTURES (\$/TON)													TREND
MAR-25	MAY-25	JUL-25	AUG-25	SEP-25	OCT-25	DEC-25	JAN-26	MAR-26	MAY-26	JUL-26	AUG-26		
307.4	315.4	322.8	324.7	325.3	325.3	328.2	329.7	329.0	329.5	331.6	330.8	↓	



U.S. AVG PREMIUM ALFALFA & ALFALFA/ GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report

SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	*DEC-24
238.50	217.82	240.41	231.70	254.85	224.50	205.02	220.17	175.00	211.69	185.21	196.44	199.57	206.63	192.20	*184.82



DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)															TREND
DMC	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24
ALL MILK	6.46	8.44	9.44	9.58	8.44	8.48	9.44	9.65	9.60	10.52	11.66	12.33	13.72	15.57	15.17
FEED \$	13.24	12.56	12.16	12.12	12.16	11.62	11.16	11.05	10.90	11.48	11.14	10.47	9.88	9.93	10.03

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 02/04/25															TREND
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS	
NEXT GDT AUCTION 02/18/25	SKIM POWDER (SMP)	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863	1.2863
ALL-PRODUCT INDEX	BUTTER	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768	3.2768
MILKFAT (AMF)	CHEDDAR (BULK)	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799	2.2799
BUTTERMILK POWDER	MOZZARELLA (BULK)	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861	1.8861
LACTOSE	WHOLE POWDER (WMP)	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916	1.8916

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT) NASS ALL-MILK															TREND
CL I ADV	CL II	CL III	CL IV	ALL-MILK-U.S.	ALL-MILK-PA	CL I ADV	CL II	CL III	CL IV	ALL-MILK-U.S.	ALL-MILK-PA	CL I ADV	CL II	CL III	
21.27	21.58	20.34	20.73	23.30	24.20	21.27	21.58	20.34	20.73	23.30	24.20	21.27	21.58	20.34	20.73
20.38	21.28	18.62	20.74	24.20	24.20	20.38	21.28	18.62	20.74	24.20	24.20	20.38	21.28	18.62	20.74
17.99	20.04	15.17	19.39	20.40	21.60	17.99	20.04	15.17	19.39	20.40	21.60	17.99	20.04	15.17	19.39

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report															TREND
NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	*DEC-24		
2108	N/A	1635	N/A	N/A	N/A	2115	2016	N/A	N/A	2800	N/A	2250	N/A		↓
U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report															TREND
NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	*DEC-24		
1830	1988	N/A	1792	N/A	N/A	2120	2254	1624	N/A	N/A	2800	2489	N/A		↓

CATTLE - DAIRY PURPOSES (\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of JAN. 24, 2025															TREND
*MILK COWS (NASS) U.S. Avg.	FRESH	HEIFERS: Springing	Bred	Beef x	OPEN: 300-600 lbs	Beef X	600-900 lbs	Beef X	900-1100 lbs	BULLS (800-1300 lbs)	*MILK COWS (NASS) U.S. Avg.	FRESH	HEIFERS: Springing	Bred	
\$2660	3150	2900	2400	2300	900	1300	1200	N/A	1500	1800	\$2660	3150	2900	2400	2300
\$1890	1975	1800	1800	1400	700	N/A	825	N/A	1300	1150	\$1890	1975	1800	1800	1400
PA Auction Markets Jan. 23-28, 2025															TREND
CULL MARKET COWS (\$/CWT LIVELWEIGHT)	Premium White	Breakers	Boners	Lean	CULL MARKET COWS (\$/CWT LIVELWEIGHT)	Premium White	Breakers	Boners	Lean	CULL MARKET COWS (\$/CWT LIVELWEIGHT)	Premium White	Breakers	Boners	Lean	
	138.75	135.10	127.35			138.75	135.10	127.35			138.75	135.10	127.35		↓
	108.35	102.00	98.85			108.35	102.00	98.85			108.35	102.00	98.85		↓

Price averages do not include lower-end common

Average to high dressing

FED STEERS (\$/CWT LIVE)

Choice & Prime 1250-1550 lb

BULL CALVES: No. 1 & 2, 90-130 lbs

70-85 lbs

Holstein

Beef-X-Dairy

WK AGO

YR AGO

171.00

201.25

171.00

145.00

625.00

900.00

625.00

350.00

675.00

1060.00

675.00

400.00

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