CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — **FEB. 11, 2026** — except where noted

'All things dairy'… and beef: Based on the January 2026 USDA Cattle Inventory Report, all cows and heifers that have calved totaled 37.2 million head, down slightly from 37.3 million head from January 2025. Milk cow numbers reached 9.57 million head, up 2.0 percent from the prior year and the highest since 1993. However, U.S. milk cow number growth has slowed over the past couple years as fewer cows leave the herd but replacements become increasingly more difficult to source.

U.S. dairy cow slaughter rates totaled 2.53 million head in 2025, a new low for the decade and well below approximately 3 million head slaughtered annually in prior years (before 2024).

U.S. dairy replacement heifer inventories fell from 3.91 million head in 2025 to 3.90 million head in January 2026, the lowest level since 1978. Dairy replacement heifers expected to calve fell to 2.5 million head, down significantly from a few years ago at almost 3 million head. The replacement contraction continues as culling incentives strengthened.

With high beef prices driving beef on dairy, that has been a major contributing factor to the contraction of replacement inventories. Fewer dairy heifers are entering U.S. dairy herds, and some farmers are shifting their focus to breeding for beef genetics. Even with historically high milk cow numbers, the dairy industry will start to feel the effects if culling rates increase or productivity decreases.

Cows are being held in the production cycle longer, with low cull rates and beef-on-dairy breeding choices both contributing factors in sustaining the current U.S. milk output level. Once these U.S. dairy cows begin to start aging out of production and the dairy heifer replacement inventories continue to tighten, there could be additional volatility in the dairy markets.

Based on the same report, beef cow numbers and calves are experiencing declines as well. Beef cows that have calved fell to 27.6 million head, down 285,000 head from 2025. The 2025 calf crop is estimated at 32.9 million head, down 512,00 head from 2024. However, beef replacement heifers were up a modest 1% from 4.67 million head in 2025 to 4.71 million head.

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While this indicates a small shift towards rebuilding beef cow numbers, if the current calf crop estimate holds true, heifer calves from this year's crop will be retained for replacements rather than used for beef production.

The low calf projections paired with limited beef exports from Mexico due to the current New World Screwworm outbreak could mean feeder cattle prices might stay elevated for the next couple of years.

Looking forward, dairy and beef farmers will face increasing tight herd dynamics in the coming years.

Lower domestic beef cattle numbers and reduced imports from Mexico are limiting U.S. beef supply growth, while an aging dairy cow population paired with increasingly tight dairy replacement heifer inventories could mean uncertainty for the ~~current record milk production~~.

For both industries, they are still in the contraction phase of the cattle cycle, which means a lot of uncertainty for future expansion and potential market volatility.

Join us via Zoom next week for the Center's next "All Things Dairy" call. We will feature speakers that will cover important federal legislation updates for dairy farmers, tax changes that ~~will affect farmers this spring~~ as well as an update on biosecurity and HPAI from the state vet's office.

This call will be packed with timely updates on information that dairy farmers should keep on their radar in the coming months. The live call will happen on February 18 from 1 to 2 p.m., where participants can ask our speakers questions in real-time.

To add the call to your calendar or to read more about what our speakers plan to cover, visit www.centerfordairyexcellence.org/events. To join the call live at 1 p.m. on Feb. 18th, visit www.centerfordairyexcellence.org/dairy-call

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. 11, 2026 AT THE CLOSE

	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	AUG-26	SEP-26	OCT-26	NOV-26	DEC-26	JAN-27	TREND
CLASS III MILK FUTURES	15.12	16.33	16.63	16.98	17.33	17.69	17.79	17.97	18.04	17.81	17.45	17.00	↓↓
CLASS IV MILK FUTURES	15.51	17.50	17.30	17.00	17.05	17.51	17.69	17.80	17.72	17.66	17.10	16.90	↓↓

CLASS III MILK FUTURES ($/CWT) vs. week ago: *Feb26 down 30¢, Mar-Aug26 down 40 to 70¢, Sep-Dec26 down 5 to 20¢, Jan27 firm.* *12-Month Avg. 17.17* ↓↓

CLASS IV MILK FUTURES ($/CWT) vs. week ago: *Feb26 Up 10¢, Mar26 up 30¢; Apr26 through Jan27 down 60¢ to $1.20.* *12-Month Avg. 17.22* ↓↓

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*

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	19.76	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	17.60	18.72	18.72	19.07	19.07	17.30	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)

MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	MAR-28	MAY-28	JUL-28	TREND
4.274	4.370	4.450	4.446	4.596	4.724	4.792	4.824	4.662	4.722	4.826	4.884	4.904	↑↑

SOYMEAL FUTURES ($/TON)

MAR-26	MAY-26	JUL-26	AUG-26	SEP-26	OCT-26	DEC-26	JAN-27	MAR-27	MAY-27	JUL-27	AUG-27	SEP-27	TREND
306.1	310.7	315.0	315.0	314.8	312.2	314.6	315.4	317.8	318.3	320.8	319.9	317.9	↑↑

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

OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	*JAN-26	
206.63	192.20	184.82	184.49	189.60	195.30	195.50	187.01	188.00	195.00	202.00	179.00	192.00	202.00	206.60	*208.60	↑↑

DMC OFFICIAL GROSS MARGINS *per cwt(USDA All-Milk, corn, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)*

DMC	AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	*DEC-25	
MARGIN	13.72	15.57	15.17	14.29	13.38	13.85	13.12	11.55	10.42	10.40	11.10	10.94	11.52	10.87	10.52	10.04	* 9.42	↓↓
ALL MILK	23.60	25.50	25.20	24.20	23.30	24.10	23.60	22.00	21.00	21.30	21.30	20.80	20.90	20.40	20.00	19.70	* 19.00	↓↓
FEED $	9.88	9.93	10.03	9.91	9.92	10.25	10.48	10.45	10.58	10.90	10.20	9.86	9.38	9.53	9.48	9.66	* 9.58	↓↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction ($/LB) 02/03/26
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to $/LB
NEXT GDT AUCTION 02/17/26

Product	Price	Change	Product	Price	Change
ALL-PRODUCT INDEX	1.7377↑↑	6.7%	SKIM POWDER (SMP)	1.3040↑↑	10.6%
MILKFAT (AMF)	2.9601↑↑	5.0%	BUTTER	2.6193↑↑	8.8%
BUTTERMILK POWDER	1.4279↑↑	6.4%	CHEDDAR(BULK)	2.1652↑↑	3.8%
LACTOSE	0.6375↑↑	1.5%	MOZZARELLA (BULK)	1.6760↑↑	10.6%
			WHOLE POWDER (WMP)	1.6397↑↑	5.3%

U.S. CME SPOT DAILY ($/LB) 02/11/26

	Prev. 5 day Lds	Spot price	Weekly Avg
NFDM	8	1.5950↑↑	1.6000↑↑
BUTTER	70	1.6525↑↑	1.6375↑↑
CHEDDAR-40	22	1.3925↓↓	1.4267↑↑
CHEDDAR-500	0	1.4400NC	1.4400↑↑
DRY WHEY	3	0.7200↓↓	0.7233NC

U.S. WEEKLY USDA NDPSR ($/LB) WK ENDING 02/07/26*

FMMO PROD	MIL. LBS	WTED AVG $
NFDM	18.8	1.2604↑↑
BUTTER	3.6	1.5758↑↑
CHEESE-40	10.4	1.3978↑↑
CHEESE-500	REPORT ENDED	
DRY WHEY	9.4	0.6967↑↑

***U.S. Weekly NDPSR is averaged for the Month & used in FMMO formulas.*

***NEW* USDA $/CWT* OCT-25**

	ALL-MILK	BF	*MAILBOX
*FL	$23.70	3.99	$23.24
*SE	$24.70	4.02	$22.91
*APP	$24.00	4.20	$21.28
*OH	$21.50	4.29	$20.27
*N.ENG	$20.40	4.41	$19.78
*IL	$19.80	4.28	$19.68
*MN	$20.40	4.55	$19.61
*MO	N/A	N/A	$19.47
*NY	$20.10	4.37	$19.46
*IN	$20.90	4.18	$19.18
*PAeast	$19.80	4.32	$19.34
*FO30	N/A	N/A	$19.25
*WI	$19.50	4.31	$19.08
*PAwestern PA only			$19.01
*U.S.	$20.00	4.33	$18.70
*IA	$19.50	4.45	$18.47
*MI	$20.10	4.31	$18.44
*TX	$20.10	4.47	$18.15
*CA	$19.70	4.26	$18.03
*SD	$20.00	4.63	N/A
*ID	$20.50	4.49	N/A
*NE/KS	$18.50	4.48	$17.71
*NM	$18.20	4.24	$17.10
*WA/OR	$20.00	4.54	$16.22

ANNOUNCED FEDERAL ORDER PRICES ($/CWT) NASS ALL-MILK ($/CWT)

	CL I ADV↓↓	CL I SKIM↓↓	*CL II↓↓	*CL III↓↓	*CL IV↓↓	*ALL-MILK-U.S	*ALL-MILK-PA
Current	14.70(FEB)	9.99(FEB)	*13.92(JAN)	*14.59(JAN)	*13.55(JAN)	*19.00(DEC)↓↓ 4.51F	*18.90(DEC) 4.50F
MONTH AGO	16.35	11.17	14.41	15.86	13.64	19.70 4.46F	19.30 4.42F
YEAR AGO	21.27	10.32	21.58	20.34	20.73	23.30 4.46F	24.20 4.36F

*FEB. CL I Skim ESL Adj. +0.57↑↑ *NEW RULE; ADV BF $1.4446↓↓*

CURRENT FEDERAL ORDER VALUES ($/LB) * = *NEW

*WEIGHTED AVG. 2-WK JAN. 1-31, 2026

PRODUCT	VALUE	*(New Make Allow	vs Old)	NET VALUE
*CHEESE	1.4003↓↓	*(0.2519)	0.2003	1.1484↓↓
*BUTTER	1.4266↓↓	*(0.2272)	0.1715	1.1994↓↓
*NFDM	1.1921↑↑	*(0.2393)	0.1678	0.9528↑↑
*DRYWHEY	0.6986↑↑	*(0.2668)	0.1991	0.4318↑↑

*JAN. 2026 COMPONENTS	
*PROT	2.1768↓↓
*B.FAT	1.4525↓↓
*N.FAT	0.9433↑↑
*OS	0.4448↑↑

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) *per head as reported by USDA Monthly National Dairy Comprehensive Report*
U.S. AVG. FRESH/MILKING COWS *per head as reported by USDA Monthly National Dairy Comprehensive Report*

	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26
Bred cows & heifers	N/A	N/A	2921(ltd)	N/A	N/A	2650	N/A	N/A	N/A	2600	N/A	N/A	N/A	N/A
Fresh/milking cows	N/A	N/A	N/A	N/A	N/A	3021	N/A	3010	N/A	N/A	N/A	N/A	N/A	N/A

CATTLE - DAIRY PURPOSES($/HD) USDA and other auction reports combined 4-week rolling average as of JAN. 19, 2025

	MILK COWS (NASS) U.S. Avg.		MILKING	HEIFERS: Springing	Bred	BxD	OPEN: 300-600 lbs	BXD	600-900 lbs	BXD	900-1100 lbs	BULLS(800-1300lbs)
Current	*$2860 Q4-25 ↓↓	$3110 Q3-25	3200	All Dairy 3200	2650	3000	1200	N/A	2100	N/A	2500	2000
YEAR AGO	$2660 Q4-24	$2600 Q3-24	3200	3100	2800	2200	1200	1500	1400	N/A	2000	1800

PA Auction Markets Feb. 5-10, 2026
CULL MARKET COWS ($/CWT LIVEWEIGHT

	Premium White	Breakers	Boners	Lean
Average to high dressing	N/A	167.10↑↑	156.00↑↑	145.50↑↑
WEEK AGO	N/A	157.00	144.00	131.35
YEAR AGO	N/A	130.50	123.50	113.25

Price averages do not include lower-end 'common'

		Holstein	Beef-X-Dairy	WK AGO Holstein	WK AGO Beef-X-Dairy	YR AGO Holstein	YR AGO Beef-X-Dairy
FED STEERS ($/CWT LIVEWEIGHT) Choice & Prime	1250-1550 lb	215.00LTD	233.00↑↑	211.00LTD	225.25	N/A	200.50
BULL CALVES: No. 1 & 2 ($/cwt liveweight)	90-130 lbs	1275.00↑↑	1600.00↑↑	1260.00	1550.00	675.00	950.00
	70- 85 lbs	1325.00↑↑	1850.00↑↑	1300.00	1800.00	725.00	1100.00

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