

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — MARCH 11, 2026 — except where noted

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**Why this moment is different:** Those of us on the dairy farm right now are feeling the pinch of milk prices that have fallen significantly in the past six months, with February's Class III price announced at \$14.94 per hundredweight, up 35 cents from January but still well below the 2025 average Class III price of \$18.01. The February Class IV price was announced at \$16.29 per cwt., up \$2.74 from January's low of \$13.55 per cwt. and \$1.09 below last year's average. Looking ahead, Class IV futures milk prices have bounced back hard, with March's price on the CME now trading above \$19. Class III milk futures prices are taking a little longer to rebound, not above \$18 until November.

When you look at the fundamentals, not a lot has changed. The latest USDA Milk Production report still has the nation's milk production up 3.4% in January, marking the 7th consecutive month of year-over-year growth above 3%. The number of milk cows in the nation's dairy herd are still at all-time high levels, with January's herd at 9.58 million head, up 14,000 from December. So, what has changed?

In February, Sara Dorland from Ceres Risk Management spoke about the current market situation and explained why this moment, with milk production up so dramatically, is different from other times in the past when a surge in milk production led to long periods of lower milk prices. She listed three reasons for optimism as to why this moment is different: all the new capacity coming online, the huge demand for dairy protein-based products right now, and the opportunity for sales overseas.

Dorland referenced more than \$10 billion in new dairy processing capacity that is being built from 2025 to 2027, with a significant portion intended to meet export demand for U.S. dairy products. The global demand for U.S. dairy products is evident when you look at how dairy exports did in 2025. With year-over-year growth in dairy export volumes up 4%, the U.S. shipped more than 2.32 million metric tons of product overseas last year, the second highest ever after shipping 2.41 million metric tons in 2022. Despite the concern over reciprocal tariffs impacting sales, the dollar value of U.S. exports in 2025 was up 15% year-over-year to \$9.63 billion, just

shy of the 2022 record of \$9.66 billion.

Domestically, there is a structural shift going on in the dairy industry, where consumers are replacing traditional sources of dairy like fresh fluid milk, yogurt, and cheese with high-protein options like ultrafiltered milk, Greek yogurt and whey protein isolates added to other foods. That's because Americans are leaning into a healthier lifestyle. That's partly driven by the estimated 9% of Americans who are considering using a GPL-1 medication like Ozempic to lose weight.

An even higher number — 25% of all Americans — are actively seeking protein-rich foods for a healthier lifestyle. That's driving huge production increases in products that meet that demand. The latest USDA Dairy Products report shows that dry whey production is up 11% year over year while production of both whey protein isolate and whey protein concentrate is up 12% year over year. Regular cottage cheese production is up nearly 17% from a year ago, while yogurt production is up 6%. More traditional products are also up, with butter up 6% and total cheese up nearly 5%.

After declining in sales for several decades, cottage cheese sales are booming, going from a \$1.3 billion market in 2023 to \$2 billion in 2025. An Intel Market Research report projects that cottage cheese sales will reach \$2.65 billion by 2032, with flavored varieties of cottage cheese increasing by 52% in the past year. Yogurt sales surged about 10 years ago and then leveled out. However, that industry has seen a nearly \$3 billion increase in sales in the past three years, driven almost primarily by higher protein types like Greek and Skyr. In fact, an article on edairynews estimates that Greek style yogurts are now approaching \$6 billion in sales.

The increased dairy processing capacity, shifting consumer preference toward protein, and the huge global demand for U.S. dairy right now will hopefully create a quick rebound in our dairy markets. January's margin under the USDA Dairy Margin Coverage was well below the \$9.50 maximum threshold for the program. However, USDA's DMC Decision Tool projects those margins to rebound to above \$10 by April. That will be a much-needed reprieve for those on the farm working to manage through this downturn.

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 — MAR. 11, 2026 AT THE CLOSE

	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	AUG-26	SEP-26	OCT-26	NOV-26	DEC-26	JAN-27	FEB-27	TREND
<b>CLASS III MILK FUTURES (\$/CWT)</b> vs. week ago: <i>Mar26 dn 42¢, Apr-Jun26 dn \$1-1.50, Jul-Sep26 dn 25-75¢, Oct-Nov26 dn 5-10¢, Dec26-Feb27 firm to 10¢ up.</i>	16.16	16.28	16.79	17.32	17.79	18.03	18.37	18.40	18.27	17.82	17.35	17.26	↓
<b>CLASS IV MILK FUTURES (\$/CWT)</b> vs. week ago: <i>Mar-May6 steady to 10¢ lower, Jun-Nov26 down 20 to 45¢, Dec26-Feb27 weak to 10¢ lower.</i>	19.50	19.70	19.50	19.08	18.80	18.82	18.70	18.70	18.56	18.55	18.32	18.11	↓

**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**

	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
<b>CORN FUTURES (\$/BU)</b>	4.442	4.602	4.720	4.754	4.890	4.982	5.034	5.054	4.824	4.862	4.960	5.000	5.014	↑
<b>SOYMEAL FUTURES (\$/TON)</b>	316.4	315.4	317.7	315.6	313.4	311.1	314.2	313.8	312.0	311.5	312.9	311.3	309.0	↑

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

	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	*JAN-26
<b>DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa &amp; Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)</b>	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	*7.81

	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	*JAN-26
<b>DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 03/03/26</b>	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	*7.81

	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	*JAN-26
<b>ANNOUNCED FEDERAL ORDER PRICES (\$/CWT) NASS ALL-MILK (\$/CWT)</b>	15.47	9.91	*15.34	*14.94	*16.29	*17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50	17.50

	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	*JAN-26
<b>U.S. AVG. BRED COWS &amp; HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report</b>	N/A	2921	N/A	N/A	2650	N/A	N/A	N/A	N/A	2600	N/A	N/A	N/A	N/A	N/A	N/A	2750

	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	*JAN-26
<b>CATTLE - DAIRY PURPOSES(\$/HD) USDA and other auction reports combined 4-week rolling average as of JAN. 19, 2025</b>	*\$2860	\$2660	\$3110	3300	3600	3600	3600	3600	3600	3600	3600	3600	3600	3600	3600	3600	3600

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