

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — April 1, 2026 — except where noted



By VALERIE MASON-FAITH
Center for Dairy Excellence
vmason@centerfordairyexcellence.org

Feb. DMC pays though margins improve amid uncertainty

The USDA announced February's margin at \$8.46 per hundred-weight (cwt) for the Dairy Margin Coverage program. At the \$9.50 coverage level, participating dairies received an indemnity of \$1.04 cents per cwt. For program year 2026, this will make the second consecutive month where the margin fell below the \$9.50 trigger and resulted in payments. February's margin was up 65 cents and down \$4.66 per cwt, month over month and year over year, respectively.

From January to February, the all-milk price rose 80 cents from \$17.50 to \$18.30 per cwt. Compared to the same month last year, February's all-milk price was down \$5.30 from \$23.60 per cwt in February 2025. Looking back five years, the all-milk price increased by 40 cents from \$17.10 in February 2021 to February 2026.

February's feed costs rose by 15 cents from \$9.69 in January to \$9.84 per cwt. Year over year, feed costs were down 64 cents from \$10.48 per cwt in February 2021 to 2026. Compared to February 2021, feed costs fell \$1.29 from \$11.13 per cwt. Corn and premium alfalfa hay experienced modest increases from January to February of one cent per bushel and three dollars per ton, respectively. Over the same timeframe, soybean meal increased by \$13.13 per ton.

Currently, the DMC Decision tool forecasts (updated March 31) margins to remain above the \$9.50 trigger through December 2026. Margin projections increase to \$11.17 in May, decrease to \$10.90 in July, rebound to \$11.72 in November, then dip to \$11.42 per cwt in December. The all-milk price forecasts follow a similar trend, increasing to \$22.12 per cwt in November, then fall to \$21.86 in December. Currently, the projected averaged all-milk price is \$20.00 per cwt for 2026.

Feed cost projections rise to \$10.57 per cwt in August, then fluctuate between \$10.40 and \$10.44 for the rest of the year. The average feed costs for this program year are estimated to be \$10.23 per cwt based on the most recent data. Premium alfalfa hay prices are forecasted to hang between \$222 and \$228 per ton for the next 10 months and averaging \$225.30 per ton. Soybean meal price projections jump to \$326.80 in March, decline to \$318.82 in July, increase to \$324.11, then decrease to \$319.39 per ton in December. Corn prices are forecasted to climb to \$4.78 in August, fall to \$4.59, then rise to \$4.63 per bu. Based on current projections, the corn prices are expected to average \$4.47

per bu.

For this program year, DMC

enrollment has closed, but another risk management tool is Dairy Revenue Protection (DRP), where dairy farmers cover revenue on a quarterly basis, up to five quarters. Through this program, producers can choose between Class Pricing, based on Class III and Class IV milk prices, and Component Pricing, based on butterfat, protein, and other solids values.

The dairy industry is full of uncertainty, and it's important to remember that the markets and futures can change at the drop of a hat. Dairy producers can protect themselves and their farms with an integrated approach to risk management by using more than one program, including Dairy Margin Coverage, Livestock Revenue Protection, and Dairy Revenue Protection. Developing a strong risk management strategy tailored to your farm could protect your legacy and better protect your bottom line.

Upcoming on the calendar:

The Center for Dairy Excellence, Professional Dairy Managers of Pennsylvania, PA Beef Council, and Penn State Extension are collaborating to host Animal Care Workshops in Centre, Franklin, and Somerset counties in April. Each on-farm workshop will feature four sessions led by industry experts and educators covering animal handling and meat quality issues, calving issues/dystocia, down cows/transition cows, and farm safety. The workshops are free and count towards FARM program continuing education credits. There will also be Spanish translation services available. Lunch will be provided. To read more about the workshops or to register, visit www.centerfordairyexcellence.org/events.

Next week, the Center will host their April "All Things Dairy" conference call on April 8 at 1 p.m. Our panelists will cover rural mental health tips and advice, resources and information from AgrAbility, as well as an update on highly pathogenic avian influenza and biosecurity. These conference calls aim to provide a platform for organizations and industry partners to share timely updates, resources, programs, and upcoming events relevant to the dairy community. To add it to your calendar or to read more about the call, visit www.centerfordairyexcellence.org/events.

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 — APR. 1, 25, 2026 AT THE CLOSE

	APR-26	MAY-26	JUN-26	JUL-26	AUG-26	SEP-26	OCT-26	NOV-26	DEC-26	JAN-27	FEB-27	MAR-27	TREND											
CLASS III MILK FUTURES (\$/CWT) vs. week ago: Apr 26 dn 20¢, rest of board steady to 10¢ higher, except Feb-Mar 27 down 10¢.	17.48	17.97	18.44	18.80	18.93	18.95	18.95	18.65	18.16	17.61	17.60	17.60	↑↑											
CLASS IV MILK FUTURES (\$/CWT) vs. week ago: Apr 26 dn 25¢, May-Sep 26 dn 40 to 80¢, Oct-Dec 26 dn 10 to 25¢, Jan-Mar 27 firm to up 10¢.	20.40	20.50	20.15	19.75	19.79	19.64	19.40	19.16	18.90	18.65	18.49	18.40	↓↓											
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													12-Month Avg. 18.26↑↑											
Mailbox	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	18.82	18.25	18.96	18.48
Class III	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	16.03	16.03	16.98	16.98
BASIS	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	2.79	2.22	1.98	1.50

	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	MAR-28	MAY-28	JUL-28	SEP-28	TREND				
CORN FUTURES (\$/BU)	4.564	4.672	4.692	4.832	4.940	5.000	5.006	4.842	4.912	4.996	5.044	5.060	4.796	↓↓				
SOYMEAL FUTURES (\$/TON)	316.9	315.8	313.8	312.1	309.3	312.7	313.4	310.8	311.0	312.6	311.5	309.6	307.11	MIXED				
U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report																		
NOV-24	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	*FEB-26	*215.90	↑↑

DMC	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	*FEB-26
MARGIN	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	*8.46
ALL MILK	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	17.50	*18.30
FEED \$	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	9.69	*9.84

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 03/17/26	U.S. CME SPOT DAILY (\$/LB) 04/01/26	U.S. WEEKLY USDA NDNPSR (\$/LB) WK ENDING 03/28/26*
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB	Prev. 5 day Lds	FMMO PROD
NEXT GDT Auction 04/07/26	Spot price	MIL. LBS
ALL-PRODUCT INDEX 1.9646↑↑ 0.1%	Weekly Avg	WTED
MILKFAF (AMF) 3.4491↑↑ 6.4%	1.9375↑↑ 1.9358↑↑	AVG \$
BUTTERMILK POWDER N/A	67 1.7825↓ 1.7842↓	NET VALUE
MOZZARELLA (BULK) 1.9093↑↑ 0.5%	20 1.6375↓ 1.6167↓	COMPONENTS
WHOLE POWDER (WMP) 1.6828↓ 4.0%	2 1.5925↑ 1.5853↑	*CHEESE 1.5607↑↑ *(0.2519) 0.2003 1.3088↑↑ *PROT 2.0905↑↑
	1 0.6875↑↑ 0.6892↑↑	*BUTTER 1.8969NC *(0.2272) 0.1715 1.6697NC *B.FAT 2.0220↑↑
		*NFDM 1.5741↑↑ *(0.2393) 0.1678 1.3038↑↑ *N.FAT 1.3348↑↑
		*DRYWHEY 0.6724↓ *(0.2668) 0.1991 0.4056↓ *OS 0.4178↓

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)	NASS ALL-MILK (\$/CWT)	CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW
CL I ADVT↑ 18.66(APR)	*CL I↑ 12.00(APR)	*WEIGHTED AVG. 2-WK MAR. 1-28, 2026
CL I SKIM↑ 12.00(APR)	*CL II↑ 17.35(MAR)	PRODUCT VALUE *(New Make Allow vs Old) NET VALUE
CL I 3% Fat↑ 12.00(APR)	*CL III↑ 16.16(MAR)	*CHEESE 1.5607↑↑ *(0.2519) 0.2003 1.3088↑↑ *PROT 2.0905↑↑
CL I 4% Fat↑ 12.00(APR)	*CL IV↑ 18.94(MAR)	*BUTTER 1.8969NC *(0.2272) 0.1715 1.6697NC *B.FAT 2.0220↑↑
CL I 5% Fat↑ 12.00(APR)	*CL V↑ 18.30(MAR)	*NFDM 1.5741↑↑ *(0.2393) 0.1678 1.3038↑↑ *N.FAT 1.3348↑↑
CL I 6% Fat↑ 12.00(APR)	*CL VI↑ 18.30(MAR)	*DRYWHEY 0.6724↓ *(0.2668) 0.1991 0.4056↓ *OS 0.4178↓

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
JAN-25	JAN-25
N/A	N/A
2921(ltd)	N/A
N/A	N/A
N/A	3021
2650	N/A
N/A	3010
N/A	N/A
N/A	N/A
2600	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	N/A
N/A	2700

CATTLE - DAIRY PURPOSES(\$/HD) USDA and other auction reports combined 4-week rolling average as of MAR. 26, 2026															
MILK COWS (NASS) U.S. Avg.	*\$2860 Q4-25 ↓↓	\$3110 Q3-25	MILKING HEIFERS: Springing	3300	All Dairy	3500	Bred	2800	3000	1700	1700	2200	N/A	2600	2000
	\$2660 Q4-24	\$2600 Q3-24		3000		3500	2650	2500	1000	1300	1875	N/A	2000	1800	
PA Auction Markets Mar. 26-31, 2026															
CULL MARKET COWS (\$/CWT LIVELWEIGHT)															
Premium White	N/A	185.50↑↑	Breakers	171.85↑↑	Boners	152.10↑↑	Lean								
	WEEK AGO														
	N/A	178.50		168.25		148.75									
	YEAR AGO														
	N/A	142.10		136.60		125.60									

FED STEERS (\$/CWT LIVELWEIGHT)	Holstein	Beef-X-Dairy	WK AGO	YR AGO
Choice & Prime 1250-1550 lb	210.00↑↑	234.50↑↑	N/A	230.10
BULL CALVES: No. 1 & 2, 90-130 lbs	1500.00↑↑	1850.00↑↑	1450.00	1850.00
(\$/cwt livelweight)	70- 85 lbs	1550.00↑↑	2175.00↑↑	1500.00

brought to you by: