

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — JUNE 4, 2025 — except where noted

April Milk Production and Cold Storage Reports Snapshot:

Based on April's USDA Milk Production report, U.S. milk output is strong two months into the "Spring flush." To start off, March U.S. milk production was revised higher than previously reported by 26 million pounds to 19.1 billion pounds. U.S. milk supplies continued to climb through April, totaling 19.4 billion pounds and up 1.5% since the same month last year. While it may not seem like much, the 1.5% year over year increase would be the highest year-over-year percentage increase that the U.S. milk supply has seen since August 2022.

For April, some of the growth in the U.S. milk supply that we're seeing can be chalked up to rising milk output per cow and cow numbers. April's U.S. milk production per cow increased by 11 pounds from April 2024's average to 2,055 pounds. Meanwhile the U.S. dairy herd totaled 9.43 million head, an 89,000 head increase year over year and a 5,000 head increase month over month. This is the highest margin of increase in cow numbers since 2023. Even though heifer supplies remain tight, cull rates are still down, and genetic advancements are allowing dairy farmers to expand strategically and improve their herds' productivity.

At the state-level, Kansas, Texas, and South Dakota felt the most significant milk production hikes year over year at 11.4%, 10.6%, and 9.2%, respectively. All three states significantly expanded their dairy herds but also saw boosts in cow efficiency. The massive growth in these states could lead to potential concerns regarding adequacy in processing capacity, transportation, and regional milk prices.

On the other end of the spectrum, Washington, Florida, and California reported production losses of 4.5%, 3.7%, and 1.4%, respectively. California's milk supply is slowly recovering from the negative impacts of highly pathogenic avian influenza (HPAI). Washington and Florida are still experiencing continued declines in dairy capacity.

Shifting to April's USDA Cold Storage report, it showed total natural cheese stocks were up 1.0% month over month and down 2.0% year over year. American cheese stocks followed the same pattern with most of the stocks concentrated in the North Central



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U.S. regions. According to the most recent National Milk Producer Federation Market (NMPF) report, American-type cheese felt a modest 0.2% domestic growth year over year for quarter one of 2025.

April 2025's butter stocks increased 4.0% from March's levels but were down 7.0% from April 2024's total. Even with significant increases in the U.S.' milk supply, butter inventories remain tight. Increased international and domestic demand could be the culprit. Based on the most recent NMPF report, butter experienced 3.6% domestic demand growth year over year for the first quarter of 2025. As of March, global butter demand persisted with U.S. and New Zealand exports increasing significantly due to a growing price gap between the European Union and the rest of the world.

Overall, April's USDA reports showed promising growth within the U.S. dairy industry in milk supply and certain dairy product demand. Although, the dairy landscape is still constantly changing and evolving, which is highlighted on the state level. It's important to remember that in an ever-changing environment such as this, it pays to be adaptable.

To receive timely updates on current news and developments in the dairy industry, join the Center on June 11 from 1 p.m. to 2 p.m. for the first of our new monthly "All Things Dairy" conference call series. These calls will provide a platform for industry partners and organizations to share timely updates, resources, programs, and upcoming events relevant to the dairy community. June's call will feature Dr. Hamberg and Dr. Kalley from the Pennsylvania Department of Agriculture, who will cover global situations, such as foot and mouth disease and New World Screwworm, as well as updates on HPAI and mandatory testing. The goal of these calls is to help dairy farmers and professionals stay informed, connected, and equipped with the tools you need to navigate an ever-changing marketplace. For more details or to add this to your calendar, visit www.centerfordairyexcellence.org/upcoming-events/.

CME DAILY FUTURES & OPTIONS TRADING — JUNE 4, 2025 AT THE CLOSE

	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	TREND											
CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Jun-Aug25 dn \$0.50-1.00; Sep25-Jan26 down \$0.15-0.25; Feb26 firm; Mar-May26 up \$0.10-0.20. 12-Month Avg. 18.74 ↓↓	18.77	18.89	19.11	19.24	19.15	18.87	18.77	18.49	18.28	18.30	18.48	18.48	↓↓											
CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: June25 dn \$0.10; Jul-Sep25 dn \$0.50-0.75; Oct25-Jan26 dn \$0.25; Feb-May26 firm to \$0.20 higher. 12-Month Avg. 19.70 ↓↓	18.40	19.05	19.45	20.00	20.15	20.15	20.15	19.75	19.75	19.80	19.90	19.90	↓↓											
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	18.68	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	18.64	18.27	18.52	18.15
Class III	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	17.31	17.31	17.33	17.33
BASIS	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	1.33	0.96	1.19	0.82

	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	TREND			
CORN FUTURES (\$/BU)	4.396	4.286	4.442	4.600	4.686	4.740	4.652	4.714	4.836	4.902	4.934	4.690	4.704	↑↑			
SOYMEAL FUTURES (\$/TON)	297.3	300.6	303.1	304.2	308.6	311.2	314.5	317.6	321.0	321.2	320.0	318.0	320.2	↑↑			
U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report																	
JAN-24	254.85	224.50	205.02	220.17	175.00	211.69	185.21	196.44	199.57	206.63	192.20	184.82	184.49	189.60	195.30	195.50	↑↑

DMC	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	JAN-25	FEB-25	MAR-25	*APR-25
DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)	9.58	8.44	8.48	9.44	9.65	9.60	10.52	11.66	12.33	13.72	15.57	15.17	14.29	13.38	13.85	13.12	*11.55	↓
ALL MILK	21.70	20.60	20.10	20.60	20.70	20.50	22.00	22.80	22.80	23.60	25.50	25.20	24.20	23.30	24.10	23.60	*22.00	↓
FEED \$	12.12	12.16	11.62	11.16	11.05	10.90	11.48	11.14	10.47	9.88	9.93	10.03	9.91	9.92	10.25	10.48	*10.45	↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 06/03/25	U.S. CME SPOT DAILY (\$/LB) 06/04/25	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 05/31/25*								
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB	Prev. 5 day Dlys	Spot price	Weekly Avg	FMMO PROD	MIL. LBS	WTED AVG \$	*U.S. Weekly NDPSR is averaged for the Month & used in FMMO formulas.			
NEXT GDT AUCTION 06/17/25	1.2725 ↓↓	1.2792 ↑↑	2.792 ↑↑	NFDM	15.0	1.2196 ↑↑				
ALL-PRODUCT INDEX	1.9655 ↓↓	1.6%	BUTTER	75	2.5600 ↑↑	2.5233 ↑↑	BUTTER	5.8	2.4052 ↑↑	
MILKFAT (AMF)	3.3453 ↑↑	1.4%	CHEDDAR(BULK)	17	1.9375 ↓↓	1.9433 ↑↑	CHEDDAR-40	9.9	1.8803 ↑↑	*NEW! USDA *FEB-25* ALL-MILK BF MAILBOX
BUTTERMILK POWDER	1.2858 ↓↓	6.1%	MOZZARELLA (BULK)	12	1.8425 ↓↓	1.8508 ↓↓	CHEDDAR-500	13.6	1.8568 ↑↑	*OH \$25.20 4.38 \$26.17
LACTOSE	0.6221 ↓↓	2.0%	WHOLE POWDER (WMP)	10	0.5625 ↓↓	0.5633 ↑↑	DRY WHEY	4.4	0.5233 ↑↑	*FE \$26.90 3.99 \$26.12

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)		NASS ALL-MILK (\$/CWT)		CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW			
CL I ADV ↓↓	CL I SKIM ↓↓	*CL III ↑↑	*CL III ↑↑	*CL IV ↑↑	*ALL-MILK-U.S.	*ALL-MILK-PA	*WEIGHTED AVG. 4-WK MAY 1-30, 2025
17.26(JUN)	8.55(JUN)	*18.72(MAY)	*18.57(MAY)	*18.13(MAY)	*21.00(APR) ↓↓	*21.60(APR) ↓↓	PRODUCT VALUE MAKE ALLOW NET
CL I Skim ESL Adj. +1.38 *NEW RULE					4.32F	4.24F	*CHEESE 1.8404 0.2003 1.6401 ↑↑
							*BUTTER 2.3707 0.1715 2.1992 ↑↑
							*NFDM 1.1925 0.1678 1.0247 ↑↑
							*DRYWHEY 0.5119 0.1991 0.3128 ↑↑
							*OTHER 0.3222 ↑↑

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report		U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report	
MAR-24	N/A	MAY-24	2115
APR-24	N/A	JUN-24	2016
MAY-24	N/A	AUG-24	N/A
JUN-24	2800	SEP-24	2800
AUG-24	N/A	NOV-24	2250
SEP-24	N/A	DEC-24	N/A
OCT-24	N/A	JAN-25	\$2921(Itd)
NOV-24	N/A	FEB-25	N/A
DEC-24	N/A	MAR-25	N/A
JAN-25	N/A	*APR-25	N/A

CATTLE - DAIRY PURPOSES(\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of MAY 9, 2025		FRESH		HEIFERS: Springing		Bred		Beef x		OPEN: 300-600 lbs		Beef X 600-900 lbs		Beef X 900-1100 lbs		BULLS(800-1300lbs)	
*MILK COWS (NASS) U.S. Avg.	\$2870 Q1-25 ↑↑	\$2660 Q4-24	3100	3400	2900	3000	1600	N/A	1900	N/A	2200	1800					
	\$2120 Q1-24	\$1890 Q4-23	2550	2275	1950	2600	800	N/A	1000	N/A	1500	1200					
PA Auction Markets May 29-June 3, 2025																	
CULL MARKET COWS (\$/CWT LIVELWEIGHT)																	
Premium White	Breakers	Boners	Lean														
N/A	153.85 ↓↓	149.85 ↑↑	143.50 ↑↑														
WEEK AGO																	
N/A	158.25	148.25	140.00														
YEAR AGO																	
N/A	136.60	126.75	119.25														

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