

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — JULY 2, 2025 — except where noted

May DMC Snapshot: The USDA announced May's margin under the Dairy Margin Coverage (DMC) Program to be \$10.40 per hundredweight (cwt), down two cents month over month and 12 cents year over year. For program year 2025, this is the 5th consecutive month where the margin has been above the \$9.50 trigger and resulted in no indemnities for producers enrolled in the DMC program.

After the decline from February's \$23.60 to \$21.00 per cwt in April, May's all-milk price was reported to be \$21.30 per cwt, a 30-cent increase from the prior month. Compared to past years, May's all-milk price was 70 cents under May 2024's \$22.00 per cwt and a whopping \$7.70 above May 2020's \$13.60 per cwt. The increase in the all-milk price for May could be tied to the increase in the Class III price. As cheese export demand ramped up, cheese stocks fell, and prices increased accordingly.

Rising feed costs effectively canceled out the moderate 30-cent increase in the all-milk price. For May, final feed costs rose 32 cents from April's \$10.58 to \$10.90 per cwt, the highest in almost a year but still moderate compared to prior years. The premium alfalfa hay price saw a significant \$25 per ton boost from April's \$252.00 to \$277.00 per ton in May. The reported corn price was up slightly from April's levels; however, soybean meal felt a moderate \$6.28 per ton decrease month over month.

For the remainder of the year, the current DMC Decision Tool margin projections trend upward through October at \$14.00 per cwt, then decline to \$13.68 per cwt in December. If the projections hold true, there would not be any payments for the program year 2025.

All-milk prices are expected to steadily increase to \$23.57 per cwt in November, then dip slightly to \$23.29 per cwt in December. Final feed costs are estimated to drop almost \$1.00 per cwt to \$9.98 in June, then fluctuate between \$9.45 and \$9.61 per cwt from July to December.

While there are currently no DMC payments on the horizon for the rest of program year 2025, this could mean potentially stron-

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.

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ger margins for dairy farmers. However, it's important to remember that markets are unpredictable and can change at the drop of a hat. Price risk programs, such as DMC, are designed as a safety net, and DMC is an affordable option for most farmers.


On the horizon, U.S. Congress is working towards passing legislation that includes support for DMC before the July 4 Congressional recess, according to the National Milk Producer Federation. There are several changes to the Dairy Margin Coverage program proposed by the Senate Ag Committee in the bill, including extending the program through 2031, updating production history to the highest production of 2021, 2022, and 2023, and extending the 25 percent premium discount for locking in coverage for the duration of the bill. If ratified, these changes would drastically improve on DMC's existing policies.

In the coming week, the Center has a couple upcoming educational opportunities, including a conference call on fair season preparation and a webinar on FARM and managing on-farm risks. On July 9 at 1 p.m., the next "All Things Dairy" call will feature Beth Meyer from the American Dairy Association North East, who will provide tips and advice on fair preparation and interacting with the public. Seth Confer, Biosecurity Program Specialist, will also join the call to touch on biosecurity tips for exhibitors and how to keep their animals safe when traveling for fair season.


The next "Protecting Your Profits" webinar is planned for July 11 from 12 – 1 p.m. and is focused on "Healthy Herds & Happy Cows: Risk Mitigation for Your Dairy." On this July installment, Dr. Jody Kull, with Penn State University, will discuss how famers can use their protocols, identify clinical signs of illnesses, monitor on the farm, and address concerns before they happen. To add either or both to your calendar, visit www.centerfordairyexcellence.org

CME DAILY FUTURES & OPTIONS TRADING — JULY 2, 2025 AT THE CLOSE


CME DAILY FUTURES & OPTIONS TRADING — JULY 2, 2025 AT THE CLOSE																									
		JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	TREND											
		CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Jul-Dec25 up 30¢ to mostly 60¢; Jan-Mar26 up 10 to 15¢; Apr-Jun26 firm to 5¢ higher.												12-Month Avg. 18.25 ↑↑											
		17.31	18.24	18.86	19.09	18.82	18.53	17.98	17.98	18.07	17.97	18.04	18.11	↑↑											
		CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: Up 5 to 10¢ across the board, except Dec25 and Apr26 down 3¢ and May-Jun26 steady.												12-Month Avg. 19.60 ↑↑											
		18.89	19.23	19.55	19.77	19.87	19.92	19.66	19.63	19.61	19.57	19.70	19.77	↑↑											
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		18.65	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	18.68	18.38
Class III		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	18.16	18.16
BASIS		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	0.52	0.22



CORN FUTURES (\$/BU)														
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	
4.336	4.214	4.376	4.524	4.632	4.710	4.604	4.654	4.766	4.812	4.836	4.620	N/A	↑↑	



SOYMEAL FUTURES (\$/TON)														
JUL-25	AUG-25	SEP-25	OCT-25	DEC-25	JAN-26	MAR-26	MAY-26	JUL-26	AUG-26	SEP-26	OCT-26	DEC-26	TREND	
272.4	278.1	282.2	285.7	292.4	296.5	301.9	306.4	310.1	311.3	312.2	309.2	311.7	↑↑	



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

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	*MAY-25	
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	*187.01	↓↓

DMC OFFICIAL GROSS MARGINS per cwt(USDA All-Milk, com, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)																		
DMC	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	*MAY-25	
ALL MILK	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	10.42	*10.40	↓↓
FEED \$	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	21.00	*21.30	↑↑
	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	10.58	*10.90	↑↑


DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 07/01/25				U.S. CME SPOT DAILY (\$/LB) 07/02/25				U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 06/28/25*															
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB				Prev. 4 day Lds				Spot price				Weekly Avg											
NEXT GDT AUCTION 07/15/25				SKIM POWDER (SMP)				1.2332				↓ 1.7%											
ALL-PRODUCT INDEX				1.9392				↓ 4.1%				BUTTER				3.4129				↓ 4.3%			
MILKFAT (AMF)				3.1433				↓ 4.2%				CHEDDAR (BULK)				2.2050				↓ 2.8%			
BUTTERMILK POWDER				1.4174				↑ 9.3%				MOZZARELLA (BULK)				2.1733				↓ 0.2%			
LACTOSE				0.6239				↑ 4.2%				WHOLE POWDER (WMP)				1.7509				↓ 5.1%			

NFDM				3				1.2700				↑ 1.2592				↑↑			
BUTTER				37				2.5800				↑ 2.5942				↑↑			
CHEDDAR-40				49				1.6750				↑ 1.7058				↑↑			
CHEDDAR-500				9				1.7200				↑ 1.7133				↑↑			
DRY WHEY				3				0.6050				↑ 0.5983				↑↑			

FMMO PROD				MIL. LBS				WTED AVG \$				*U.S. Weekly NDPSR is averaged for the Month & used in FMMO formulas.			
NFDM				13.5				1.2719				↑↑			
BUTTER				3.6				2.5230				↑↑			
CHEESE-40				10.6				1.9070				↑↑			
CHEESE-500				REPORT ENDED											
DRY WHEY				5.2				0.5554				↓			

NEW USDA SC/WT MAR-25				ALL-MILK BF MAILBOX			
*FL				\$26.00 3.97 \$25.37			
*SE				\$26.10 4.05 \$24.17			

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)				NASS ALL-MILK (\$/CWT)		CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW						
CL I ADVTT	CL I SKIMTT	*CL II ↓↓	*CL III↑↑	*CL IV↑↑	*ALL-MILK-U.S	*ALL-MILK-PA	*WEIGHTED AVG. 4-WK JUNE 1-28, 2025				*OH 22.80 4.30 22.79	
18.82(JUL)	9.66(JUL)	*18.43(JUN)	*18.82(JUN)	*18.30(JUN)	*21.00(MAY)↑↑	*21.30(MAY)↓↓	PRODUCT VALUE (New Make Allow vs Old) NET VALUE				*NEHG 22.80 4.46 22.64	
CL I Skim ESL Adj. +1.14 ↓↓	*NEW RULE				4.24F	4.16F					*NY 22.10 4.40 22.54	
											*PAEST 22.90 4.35 22.53	
											*IN 23.50 4.27 22.07	
											*WI 22.60 4.33 22.84	
											*WI 22.80 4.36 22.61	
											*PAwestern PA only 22.57	
17.26	8.55	18.72	18.57	18.13	21.00 4.32F	21.60 4.24F	*CHEESE 1.9322↑↑ (*0.2519) 0.2003 1.6803↑↑				*F030 22.80 4.47 22.55	
											*BUTTER 2.4880↑↑ (*0.2272) 0.1715 2.2608↑↑	*U.S. 22.00 4.36 21.46
											*NFDMM 2.5131↑↑ (*0.2393) 0.1678 1.0138↓↓	*MI 22.90 4.33 22.43
											*DRYWHEY 0.5497↑↑ (*0.2668) 0.1991 0.2829↓↓	
21.11	9.07	21.60	19.87	21.08	22.00 4.17F	22.50 4.07F						

	U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report														*CA	\$20.70	4.28	\$21.18
	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	*MAY-25	*MO	N/A	N/A	\$21.10
	N/A	2115	2016	N/A	N/A	2800	N/A	2250	N/A	N/A	2921(ltd)	N/A	N/A	*2650 ↑↑ <th>*IA</th> <th>\$21.50</th> <th>4.51</th> <th>\$20.70</th>	*IA	\$21.50	4.51	\$20.70
	N/A	2120	2254	1624	N/A	N/A	2800	2489	N/A	N/A	N/A	N/A	N/A	*3021 ↑↑ <th>*TX</th> <th>\$22.40</th> <th>4.51</th> <th>\$20.57</th>	*TX	\$22.40	4.51	\$20.57
	N/A	2120	2254	1624	N/A	N/A	2800	2489	N/A	N/A	N/A	N/A	N/A	*3021 ↑↑ <th>*NEIKS</th> <th>\$21.70</th> <th>4.29</th> <th>\$20.33</th>	*NEIKS	\$21.70	4.29	\$20.33
U.S. AVG. FRESH/MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report														*SD	\$21.90	4.66	N/A	
N/A	2120	2254	1624	N/A	N/A	2800	2489	N/A	N/A	N/A	N/A	N/A	N/A	*TD <th>\$21.40</th> <th>4.39</th> <th>N/A</th>	\$21.40	4.39	N/A	


CATTLE - DAIRY PURPOSES(\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of JUNE 27, 2025											NIM \$20.25 4.15 \$19.43		WJWR \$22.70 4.34 \$19.22	
*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(800-1300lbs)			
*\$2870 Q1-25 ↑↑ \$2660 Q4-24		3500	3200 3000 3000			1600	N/A	2000	N/A	2300	1800			
YEAR AGO														
\$2120 Q1-24 \$1890 Q4-23		2900	2500 1900 2200			900	1500	1550	N/A	1800	1600			
PA Auction Markets June 26-July 1, 2025														
CULL MARKET COWS (\$/CWT LIVWEIGHT)														
Premium White Breakers Boners Lean				FED STEERS (\$/CWT LIVWEIGHT)				Holstein Beef-X-Dairy		WK AGO		YR AGO		
				Choice & Prime 1250-1550 lb				204.50↓↓ 224.60↓↓		207.00 225.00		177.10 186.85		
				BULL CALVES: No. 1 & 2, 90-130 lbs				950.00↑↑ 1300.00↑↑		885.00 1225.00		675.00 975.00		
				(\$/cwt liveweight) 70- 85 lbs				1000.00↑↑ 1500.00↑↑		945.00 1400.00 LTD		745.00 1075.00		
WEEK AGO														
N/A				154.50 147.75 132.85										
YEAR AGO														
N/A				139.75 128.50 115.85										

Price averages do not include lower-end and 'common'

Average to high dressing

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