

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — Aug. 5, 2026 — except where noted

Uncertainty not limited to just cattle inventories:

Based on the July 2026 USDA Cattle Inventory report, the inventory of all cows and calves in the U.S. totaled 94.2 million head, a 200,000-head increase from the July 2025 report with the lowest inventory on record. Since 2018, this is the first increase in the July inventory numbers we've seen.

While recently the cattle inventory has been and remains in a long period of contraction due to persistently high cattle and beef prices and decreased herd numbers, this could be one of the first signs of the cattle inventory stabilizing. Overall, the cattle inventory experienced a small increase; however, the rest of the numbers sent mixed signals.

All cows and heifers that have calved totaled 38.1 million head, holding steady with the total number from July 2025. Of that total, beef cows accounted for 28.5 million head, down 1.0% from the same month the prior year.

Dairy cow inventories grew by 2% year over year and landed at 9.65 million head. While the dairy cow inventory growth could be related to replacement heifers entering herds, it could also be that farmers are still retaining older cows and milking them longer.

All heifers 500 pounds and over as of July 1, 2026, reached 14.7 million head, a 1.0% increase from the July 2025 report. Beef replacement heifers totaled 3.80 million head, up 3.0% year over year.

Also, up 3.0% from July 2025 to 2026, milk replacement heifer inventories landed at 3.60 million head. This could be an early indicator of beef and dairy herds rebuilding as the potential breeding stock inventories begin to show some growth.

The 2026 calf crop is estimated at 32.5 million head, a 2.0% decrease from 2025. If realized, it would be the smallest calf crop on record and the ninth year of its continued decline. For the first six months of 2026, the number of calves born is estimated to be 23.9 million head, down 2.0% compared to the first



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half of 2025. For the remainder of 2026, there are an additional 8.60 million calves projected to be born in the latter half of 2026. These numbers represent the pool of potential replacement heifers and feeder cattle in 2027 and 2028. We may not see significant evidence of expansion for the next couple of years.

The increases in the beef and milk replacement heifer numbers, as well as milk cow numbers, are encouraging signs that the contraction of the U.S. herd is slowing and potentially leveling out.

Even though we are noticing some slight growth in the total cow inventory, we would need to see growth in the calf crop numbers as well to determine if the U.S. cattle inventory has entered a period of expansion.

Uncertainty isn't limited to just the U.S. cattle inventories. It extends to almost all aspects of the U.S. dairy industry, especially now, which can make planning for the future, whether it's your farm or your dairy clients, feel daunting.

Join the Center at our 2026 Dairy Financial and Risk Management Conference held on September 9 at the Pennsylvania Farm Show Complex from 8 a.m. to 2:30 p.m.

This year's theme is "Rewriting the Future," and the speakers will cover how to help dairy families navigate difficult communications, dairy market outlook and trends, as well as risk management tools and strategies.

The conference will also feature a panel of dairy producers who have expanded their operations and legacies through non-traditional partnerships with someone outside of their immediate family. Secure your spot today by registering at www.centerfordairyexcellence.org/financial-conference

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 TRADING - AUG. 5, 2026 AT THE CLOSE



AUG-26	SEP-26	OCT-26	NOV-26	DEC-26	JAN-27	FEB-27	MAR-27	APR-27	MAY-27	JUN-27	JUL-27	TREND											
CLASS III MILK FUTURES (\$/CWT) vs. week ago: <i>Up \$0.05-0.15 across the board, except Mar27, Jun-Jul27 weak to \$0.05 lower.</i>												12-Month Avg. 17.41↑↑											
16.74	17.02	17.31	17.49	17.51	17.41	17.40	17.45	17.52	17.65	17.64	17.72	↑↑											
CLASS IV MILK FUTURES (\$/CWT) vs. week ago: <i>Aug26-Feb27 up \$0.75-1.50, Mar-May27 up \$0.50-0.65; Jun-Jul27 firm to \$0.30 higher.</i>												12-Month Avg. 17.97↑↑											
17.24	17.81	17.65	17.90	17.72	17.82	17.84	18.16	18.30	18.29	18.38	18.50	↑↑											
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																							
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	18.65	18.35
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	18.16	18.16
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	0.49	0.19



CORN FUTURES (\$/BU)															
SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	MAR-28	MAY-28	JUL-28	SEP-28	DEC-28	JUL-29	TREND		
4.370	4.602	4.762	4.852	4.904	4.810	4.894	5.002	5.062	5.092	4.856	4.902	5.080	↓↓		
SOYMEAL FUTURES (\$/TON)															
AUG-26	SEP-26	OCT-26	DEC-26	JAN-27	MAR-27	MAY-27	JUL-27	AUG-27	SEP-27	OCT-27	DEC-27	JAN-28	TREND		
309.3	310.6	311.6	316.0	318.9	322.2	325.1	328.0	326.6	324.8	321.9	324.1	324.0	↓↓		
U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report															
MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	*JUN-26
195.30	195.50	187.01	188.00	195.00	202.00	179.00	192.00	202.00	206.60	208.60	215.90	193.75	211.24	220.22	*233.00 ↑↑

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

DMC	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	MAR-26	APR-26	MAY-26	*JUN-26
MARGIN	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	9.57	10.54	10.62	*10.88 ↑↑
ALL MILK	23.60	22.00	21.00	21.30	21.30	20.80	20.40	20.40	20.00	19.70	19.00	17.50	18.30	19.70	20.80	21.30	*21.10 ↓↓
FEED \$	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	10.31	10.26	10.68	*10.22 ↓↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 08/04/26

Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB	
NEXT GDT AUCTION 08/18/26	SKIM POWDER (SMP) 1.4673↑↑ 2.8%
ALL-PRODUCT INDEX	1.7142↑↑ 0.1%
MILK/FAT (AMF)	2.8889↓ 0.8%
BUTTER (AMF)	1.7995↓ 2.8%
BUTTER/MILK POWDER	0.8076↑↑ 4.1%
LACTOSE	

U.S. CME SPOT DAILY (\$/LB) 08/05/26

Prev. 5 day Lds	Spot price	Weekly Avg
NFDM 46	1.6000↑↑	1.5650↑↑
FDNF 21.3	1.5152↓	1.5152↓
BUTTER 13	1.4825↓	1.4842↓
CHEDDAR-40 26	1.5200↓	1.5667↑
CHEDDAR-500 1	1.5475↓	1.5475↓
DRY WHEY 3	0.6875↑↑	0.6900↑↑

U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 08/01/26*

FMMO PROD	MIL. LBS	WTED AVG \$
NFDM 21.3	1.5152↓	
BUTTER 5.4	1.5662↓	
CHEDDAR-40 10.6	1.5501↑↑	
CHEDDAR-500	REPORT ENDED	
DRY WHEY 7.1	0.6566↑↑	

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

CL I ADV	CL I SKIM	*CL III	*CL III	*CL IV	*ALL-MILK-U.S.	*ALL-MILK-PA
18.76(AUG)	13.88(AUG)	*21.89(JUL)	*15.52(JUL)	*18.34(JUL)	*21.10(JUN)	*22.70(JUN)↑↑
21.33	15.91	22.78	15.98	20.96	21.30 4.31F	22.10 4.25F
18.82	9.66	19.31	17.32	18.89	21.30 4.19F	21.30 4.14F

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

PRODUCT	VALUE	NET VALUE	COMPONENTS
*CHEESE 1.5149↓	*(0.2519)	0.2003	1.2630↓
*BUTTER 1.6036↓	*(0.2272)	0.1715	1.3764↓
*NFDM 1.6474↓	*(0.2393)	0.1678	1.3535↓
*DRYWHEY 0.6522↑	*(0.2668)	0.1991	0.3854↑↑

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

MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26
2650	N/A	N/A	N/A	2600	N/A	N/A	N/A	N/A	2750	N/A	N/A	N/A	N/A

U.S. AVG. FRESH/MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report

MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26
3021	N/A	3010	N/A	N/A	N/A	N/A	N/A	N/A	2700	N/A	N/A	N/A	N/A

CATTLE - DAIRY PURPOSES(\$/HD) USDA and other auction reports combined 4-week rolling average as of JULY 15, 2026

MILK COWS (NASS) U.S. Avg.	MILKING HEIFERS: Springing	Bred	BxD	OPEN: 300-600 lbs	BXD	600-900 lbs	BXD	900-1100 lbs	BULLS (800-1300 lbs)
*\$3260 Q2-26 ↑↑	*\$3130 Q1-26	3300	AVG. 3900 small 3200	3300	3000	1800	N/A	2500	2600
\$3000 Q2-25	\$2860 Q1-25	3000	3000	2800	1600	N/A	2000	N/A	2300

PA/NY Auctions, July 29-Aug. 4, 2026, cull cows & calves mostly higher.

CULL MARKET COWS \$/CWT LIVELINE	Breakers	Boners	Lean
N/A	175.00↓	166.25↑	150.60↑
N/A	176.00	165.10	148.50
N/A	153.75	148.85	138.25

FED STEERS (\$/CWT LIVELINE) Choice & Prime 1250-1550 lb

Holstein	Beef-X-Dairy	WK AGO	YR AGO
N/A	N/A	N/A	N/A
1050.00 ↑↑	1500.00 ↑↑	990.00	1425.00
950.00 ↓↓	1600.00 ↑↑	1075.00	1575.00

Price averages do not include lower-end common

Average to high dressing

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