

# CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — AUG. 13, 2025 — except where noted

## June exports surge on U.S. competitive price advantage

Inflation continues to weigh on global food prices, with the Food and Agriculture Organization (FAO) reporting a 1.6% month-to-month increase in the agency's food price index (FFPI) last month. July's index was 130.1 points, at its highest level since early 2023.

In line with the higher beef prices helping to aid farmers' margins right now, strong beef demand pushed the meat index up 1.2%. In contrast, the dairy price index fell 0.1% from the previous month to 155.3 points. That's up 21.5% from a year ago and near the all-time high that was reached in June 2022.

The higher global dairy prices are making U.S. dairy exports more competitive on the world market right now. Total U.S. dairy exports, on a milk solids equivalent volume, were up 15% year-over-year in June.

Favorable U.S. prices for cheese and butterfat pushed those export categories higher, with butter volumes doubling and cheese exports up 34%. The only category to show declines in June was nonfat dry milk and skim milk powder, with shipments down in most major destinations except Mexico.

At the halfway point, 2025 U.S. dairy exports are at 1.1364 billion metric tons, up 1.2% from year ago levels. On a dollar basis, the total value of exports this year is 15% above last year at \$4,724.3 million.

Cheese exports are up 12%, while butterfat exports are up 151%. Whole milk powder exports are up 47%, while skim milk powder and nonfat dry milk exports are down 11%.

Dry whey products are also taking a hit year to date, down 2% from year-ago levels despite a 22% increase year over year in June. Dairy export volumes in 2025 lagged behind 2024 levels in four out of five of the previous months before surging well above both 2023 and 2024 levels in June.

The U.S. competitive price advantage right now may shift as more milk is coming online from other major dairy regions. Global milk production is increasing, with New Zealand and Ar-

gentina both growing their milk production by 2.2 and 12%, respectively.

Milk production in the European Union was also up in the second quarter after a drop in the first three months of 2025. Total milk production for the region was up slightly through May, with increases in Ireland and France offsetting declines in Germany, the Netherlands and Poland.

Strong butterfat exports and continued domestic sales are contributing to an increase in butter production. The latest USDA Dairy Products report shows butter production up 10.4% from a year ago to 185 million pounds. Year to date, butter production is up 4.6% to 1,261.85 billion pounds.

Total cheese production is also up, with output in June up 2.9% year over year to 1,203.4 million pounds. For the first six months of the year, total cheese production is up 1.7% to 7,261.54 million pounds. Declines in the first three months of the year in cheese production were offset by gains in the last three months.

A tight balance between supply and demand right now is weighing on both Class III and Class IV milk prices.

USDA announced the July Class III price earlier this month at \$17.32 per hundredweight, down \$1.50 from June and \$2.55 below year ago levels.

The Class IV price was announced at \$18.89 per hundredweight, up 59 cents from June, but down \$2.42 from a year ago levels.

Looking ahead, Class III milk futures prices are averaging \$18.20 per cwt., while Class IV milk futures prices average \$19.25 per cwt.

As a comparison, the annual average for Class III prices in 2024 was \$18.89 per cwt. while the annual average for Class IV prices was \$20.75 per cwt.



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## CME DAILY FUTURES & OPTIONS TRADING — AUG. 13, 2025 AT THE CLOSE

	AUG-25	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	TREND											
<b>CLASS III MILK FUTURES (\$/CWT)</b> vs. wk ago: <i>Aug25 up 8¢, Sep25 up 35¢, Oct-Dec25 dn 10-30¢, Jan-Feb26 steady-weak, Mar-Jul26 firm to up 10¢.</i>	17.40	18.73	18.35	18.20	18.20	17.88	17.89	17.94	17.92	17.90	17.98	18.11	MIXED											
<b>CLASS IV MILK FUTURES (\$/CWT)</b> vs. wk ago: <i>Aug25 down 45¢, Sep25-Mar26 75¢-\$1.25 lower, Apr26 firm, May-Jul26 down 20-30¢.</i>	18.54	18.22	18.20	18.20	18.35	18.45	18.55	18.55	19.30	19.19	19.36	19.50	↓↓											
<b>MILK BASIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST &amp; MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY</b>																								
Mailbox	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
Class III	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
BASIS	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

	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	JUL-28	TREND			
<b>CORN FUTURES (\$/BU)</b>	3.746	3.980	4.156	4.262	4.340	4.354	4.460	4.584	4.644	4.680	4.536	4.556	4.736	MIXED			
<b>SOYMEAL FUTURES (\$/TON)</b>	289.5	292.7	299.9	303.4	308.9	313.7	318.7	320.9	322.0	319.0	324.5	323.1	324.7	↑↑			
<b>U.S. AVG PREMIUM ALFALFA &amp; ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report</b>																	
APR-24	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	188.00	*195.00	↑↑

DMC	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	*JUN-25
<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>	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	*11.10
ALL MILK	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	*21.30
FEED \$	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	*10.20

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 08/05/25	U.S. CME SPOT DAILY (\$/LB) 08/13/25	U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 08/09/25*											
<b>Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB</b>	Prev. 5 day Dlys	Spot price	Weekly Avg	FMMO PROD	MIL. LBS	WTED	AVG \$						
NEXT GDT AUCTION 08/19/25	SKIM POWDER (SMP)	1.2726	0.4%	NFDM	25	1.2650	1.2575	14.4	1.2870	11	14.4	1.2870	11
ALL-PRODUCT INDEX	BUTTER	3.2731	3.8%	BUTTER	39	2.2800	2.3083	2.2	2.5240	11	2.2	2.5240	11
MILKFAV (AMF)	CHEDDAR(BULK)	2.0757	0.6%	CHEDDAR-40	19	1.8800	1.8733	10.4	1.7029	11	10.4	1.7029	11
BUTTERMILK POWDER	MOZZARELLA (BULK)	2.1279	0.1%	CHEDDAR-500	3	1.8600	1.8400	11	REPORT ENDED		11	REPORT ENDED	
LACTOSE	WHOLE POWDER (WMP)	1.8203	2.1%	DRY WHEY	11	0.6125	0.5942	11	DRY WHEY	5.9	0.5809	11	0.5809

ANNOUNCED FEDERAL ORDER PRICES (\$/CWT)										NASS ALL-MILK (\$/CWT)										CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW									
CL I ADVTT	CL I SKIM	CL II	CL III	CL IV	ALL-MILK-U.S.	ALL-MILK-PA	*WEIGHTED AVG. 4-WK JULY 1-26, 2025				* JULY 2025				PRODUCT VALUE *(New Make Allow vs Old) NET VALUE				COMPONENTS										
18.93(AUG)	9.26(AUG)	19.31(JUL)	17.32(JUL)	18.89(JUL)	21.30(JUN)NC	21.30(JUN)NC	CHEESE 1.7634				0.2003				1.5115				PROT 1.8730										
CL I Skim ESL Adj. +0.57	*NEW RULE																												
18.86	9.66	18.43	18.82	18.30	21.30	21.30	BUTTER 2.5753				0.1715				2.3481				B.FAT 2.8435										
21.32	9.08	21.82	19.79	21.32	22.80	22.80	NFDM 1.2783				0.1678				1.0390				N.FAT 1.0286										
							DRYWHEY 0.5670				0.1991				0.3002				OTHER 0.3092										

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report													
JUN-24	JUL-24	AUG-24	SEP-24	OCT-24	NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25
2016	N/A	N/A	2800	N/A	2250	N/A	N/A	2921(ltd)	N/A	N/A	2650	N/A	N/A
U.S. AVG. FRESH/MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report													
2254	1624	N/A	N/A	2800	2489	N/A	N/A	N/A	N/A	3021	N/A	3010	

CATTLE - DAIRY PURPOSES(\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of JULY 23, 2025																																																					
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)																																										
*3010 Q2-25		\$2900 Q1-25	3500	3700	2900	3000	2000	N/A	2300	N/A	2700	1800																																									
\$2300 Q2-24		\$2120 Q1-24	2850	2450	1900	2200	900	1500	1550	N/A	1800	1600																																									
PA Auction Markets Aug. 7-12, 2025										FED STEERS (\$/CWT LIVELWEIGHT)				Holstein				Beef-X-Dairy				WK AGO				YR AGO																											
CULL MARKET COWS (\$/CWT LIVELWEIGHT)										Choice & Prime 1250-1550 lb				N/A				234.50NC				N/A				236.25				172.75				184.60																			
Premium White										Breakers				Boners				Lean				BULL CALVES: No. 1 & 2, 90-130 lbs				925.00NC				1385.00				925.00				1325.00				675.00				900.00							
N/A										162.35				157.85				144.50				(\$/cwt livelweight)				70- 85 lbs				975.00				1605.00				925.00				1525.00				675.00				1000.00			
N/A										WEEK AGO				153.75				148.85				138.25																															
N/A										YEAR AGO				140.50				128.10				118.85																															

brought to you by:

Price averages do not include lower-end 'common' Average to high dressing