CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — **Aug. 26, 2026** — except where noted

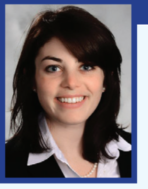
The dairy markets are rarely dull. There's always at least one commodity that's leaving market participants scratching their heads. In 2026, the nonfat dry milk market has been one of the most intriguing markets to watch. During the first half of the year, CME spot prices swung through a range of more than dollar topping out around $2.30 per pound before falling back toward January levels. Prices are picking up again here in August, giving Class IV futures prices a boost back above $18 per hundredweight for the first time since early July. That's ultimately giving producers another good opportunity to evaluate risk management strategies for late 2026 and into 2027. More on that later.

What's driving this recent rally in NDM? The simplest explanation may be that buyers finally had to restock. Earlier this year, high prices encouraged many purchasers to stay hand-to-mouth and keep inventories lean. By July, however, NDM prices had fallen back to levels last seen at the beginning of the year and were trading near parity with global markets. Those lower prices, combined with bare cupboards, appear to have pulled buyers back into the market and sparked the recent move higher. Some less robust milk production dynamics in California – following a stretch of hot weather – and uncertainty around EU and New Zealand milk supply likely threw a little gas on the fire. Now, with CME spot NDM prices sitting in the $1.70s, attention is turning to whether the rally has more room to run. We suspect higher prices may begin to discourage some buying interest while improving milk supply signals may temper supply concerns. Still, this remains a market on edge, leaving plenty of room for volatility ahead.

While NDM is providing meaningful support to Class IV, butter is pulling in the opposite direction. Ample supplies continue to weigh on the market, pushing prices to their lowest levels since January 2026. Demand remains healthy, with retail sales tracking above prior year levels – thanks in part to solid promotional activity. However, good retail demand and robust export sales have not been enough to absorb growing supplies, leaving butter prices under pressure.

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.

By KATHLEEN WOLFLEY
Ever.Ag
kwolfley@ever.ag



The cheese market remains relatively quiet. Prices on the CME continue to hover in the mid-$1.50s, with product generally available and domestic demand showing little urgency. As a result, the market remains hyper focused on moving cheese into export channels.

Fortunately, exports have knocked it out of the park in 2026. U.S. cheese shipments were up 24% year-over-year through the first half of the year, and still competitive prices should help keep product moving. However, increased competition from New Zealand product could start to chip away at US sales into places like Australia where U.S. cheddar has recently made a bigger splash. In general, the direction of the U.S. cheese market is becoming increasingly tied to export performance, and a lost edge could keep more product at home searching for an outlet. With the quiet market dynamics, Class III futures are trading in the high-$16 to mid-$17 range for much of the next 12 months.

Current market conditions continue to offer opportunities to lock in favorable margins for the farm operation. Producers should evaluate risk management strategies across more than just milk, including feed and cattle markets as well. Reach out to your risk management advisor to determine how best to protect whole farm profitability for late 2026 and into 2027.

The risk of loss trading commodity futures and options can be substantial. Investors should carefully consider the inherent risks in light of their financial condition. The information contained herein has been obtained from sources to be reliable, however, no independent verification has been made. The information contained herein is strictly the opinion of its author and not necessarily of Ever.Ag and is intended to be a solicitation. Past performance is not indicative of future results.

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CME DAILY FUTURES TRADING - AUG. 26, 2026 AT THE CLOSE

CLASS III MILK FUTURES ($/CWT) vs. week ago: *Aug26-Feb27 down $0.15-0.45, but Sep26 off $0.85; Mar-Jul27 off $0.05-0.15.* 12-Month Avg. 17.17 ↓↓

CLASS IV MILK FUTURES ($/CWT) vs. week ago: *Aug26 up $0.07, Sep26-Jul27 down $0.05-0.25.* 12-Month Avg. 18.49 ↓↓

	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	16.50	16.68	16.48	16.94	17.21	17.23	17.30	17.41	17.45	17.50	17.64	17.69	↓↓
Class IV	17.32	18.75	19.15	18.90	18.75	18.50	18.11	18.38	18.40	18.64	18.45	18.50	↓↓

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	18.62	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

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
5.140	5.364	5.506	5.572	5.584	5.330	5.336	5.432	5.476	5.492	5.114	5.094	5.254	↑↑

SOYMEAL FUTURES ($/TON)

SEP-26	OCT-26	DEC-26	JAN-27	MAR-27	MAY-27	JUL-27	AUG-27	SEP-27	OCT-27	DEC-27	JAN-28	MAR-28	TREND
328.7	333.1	339.3	341.8	344.4	346.8	349.1	347.0	343.6	339.3	340.5	340.2	338.8	↑↑

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

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	*JUL-26	
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	*247.56	↑↑

DMC OFFICIAL GROSS MARGINS *per cwt(USDA All-Milk, corn, 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	20.90	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) 08/18/26

Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to $/LB

NEXT GDT AUCTION 09/01/26

ALL-PRODUCT INDEX	1.7573 ↑↑	2.3%
MILKFAT (AMF)	2.7191 ↓↓	6.0%
BUTTERMILK POWDER	2.0653 ↓↓	3.5%
LACTOSE	0.8199 ↑↑	3.2%
SKIM POWDER (SMP)	1.5889 ↑↑	7.6%
BUTTER	2.3094 ↓↓	2.0%
CHEDDAR (BULK)	1.6897 ↑↑	0.6%
MOZZARELLA (BULK)	1.9211 ↑↑	6.1%
WHOLE POWDER (WMP	1.6293 ↑↑	3.0%

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

	Prev. 5 day Lds	Spot price	Weekly Avg
NFDM	27	1.8325 ↑↑	1.8058 ↑↑
BUTTER	75	1.4650 ↑↑	1.4633 ↑↑
CHEDDAR-40	23	1.5100 ↓↓	1.5217 ↓↓
CHEDDAR-500	0	1.5750 ↑↑	1.5750 ↑↑
DRY WHEY	2	0.7200 ↑↑	0.7117 ↑↑

U.S. WEEKLY USDA NDPSR ($/LB) WK ENDING 08/22/26*

FMMO PROD	MIL. LBS	WTED AVG $
NFDM	17.9	1.6221 ↑↑
BUTTER	6.1	1.4537 ↓↓
CHEESE-40	9.2	1.6243 ↓↓
CHEESE-500	REPORT ENDED	
DRY WHEY	9.8	0.6672 ↑↑

**U.S. Weekly NDPSR is averaged for the Month & used in FMMO formulas.*

***NEW* USDA $/CWT* APR-26**

	ALL-MILK	BF	*MAILBOX
*FL	$24.90	3.88	$24.33
*SE	$25.30	3.96	$23.35
*PAwestern PA only			$22.31
*OH	$22.30	4.26	$22.28
*NY	$21.70	4.40	$21.43
*N.ENG	$21.90	4.48	$20.22
*APP	$25.00	4.13	$22.20
*PAeast	$21.20	4.29	$20.60
*IN	$21.70	4.11	$21.24
*IL	$21.10	4.28	$20.36
*MI	$21.10	4.33	$20.48
*MN	$20.20	4.59	$19.59
*MO	N/A	N/A	$18.86
*U.S.	$20.80	4.35	$19.84
*WI	$19.60	4.33	$19.12
*IA	$19.70	4.47	$19.02
*TX	$21.20	4.51	$19.40
*WA/OR	$21.55	4.47	$21.36
*NE/KS	$19.70	4.45	$19.04
*CA	$20.70	4.26	$21.46
*NM	$19.60	4.18	$18.51
*SD	$20.10	4.67	N/A
*ID	$21.10	4.43	N/A

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

	CL I ADV ↓↓	CL I SKIM ↓↓	CL II ↓↓	CL III ↓↓	CL IV ↓↓	ALL-MILK-U.S	ALL-MILK-PA
Current	*17.04 (SEP)	*12.16 (SEP)	21.89 (JUL)	15.52 (JUL)	18.34 (JUL)	21.10 (JUN) ↓↓ 4.23F	22.70 (JUN) ↑↑ 4.19F
MONTH AGO	18.76	13.88	22.78	15.98	20.96	21.30 4.31F	22.10 4.25F
YEAR AGO	18.70	9.34	19.31	17.32	18.89	21.30 4.19F	21.30 4.14F

AUG CL I Skim ESL Adj. (+0.81) ↑↑ **NEW RULE; ADV BF $1.52* ↓↓

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

WEIGHTED AVG. 4-WK JULY 1-31, 2026

PRODUCT	VALUE	*(New Make Allow	vs Old)	NET VALUE
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 ↑↑

JULY 2026 COMPONENTS

PROT	2.3202 ↓↓
B.FAT	1.6668 ↓↓
N.FAT	1.3940 ↓↓
OS	0.3970 ↑↑

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*

	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
Bred cows & heifers	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
Fresh/milking cows	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 AUG. 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 (800-1300lbs)
*$3260 Q2-26 ↑↑	*$3130 Q1-26	3300	AVG. 3900 small 3200	3300	3000	1800	N/A	2500	N/A	2600	2200
YEAR AGO											
$3000 Q2-25	$2860 Q1-25	3000	3000	2800		1600	N/A	2000	N/A	2300	1800

Price averages do not include lower-end 'common'

PA/NY Auctions, Aug. 20-25, 2026, steers down $13 vs. year ago, cows plunge $8 to $18 vs. week ago, off $5 -10 vs. yr. ago; calves off $50.

CULL MARKET COWS ($/CWT LIVEWEIGHT)

	Premium White	Breakers	Boners	Lean
Average to high dressing	N/A	155.60 ↓↓	142.00 ↓↓	125.35 ↓↓
WEEK AGO	N/A	172.60	160.85	140.75
YEAR AGO	N/A	157.75	151.25	134.75

FED STEERS ($/CWT LIVEWEIGHT) Choice & Prime 1250-1700 lb — **BULL CALVES: No. 1 & 2, 75-125 lbs.**

	FED STEERS: HOLSTEIN	FED STEERS: BEEF X DAIRY	FED STEERS: BEEF	BULL CALVES: HOLSTEIN	BULL CALVES: BEEF X DAIRY
Current	180.50 ↓↓	223.75 ↓↓	226.00 ↓↓	1025.00 ↓↓	1350.00 ↓↓
WEEK AGO	193.60	N/A	237.25	1075.00	1400.00
YEAR AGO	N/A	233.00	249.75	950.00	1435.00