CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — **AUG. 27, 2025** — except where noted

Milk cows and production: On the July 2025 USDA Cattle Inventory Report, all cows and heifers that have calved totaled 94.2 million head, a 1.0% decrease from 95.4 million head in July 2023. The 2025 calf crop also saw a 1.0% drop from January 2025's report to 33.1 million head in July. With the USDA cancelling the cattle inventory report in 2024, the calf crop changes were compared to January 2025's numbers while the remaining figures were gauged against July 2023's data.

U.S. milk cow inventories were up 1.0% from 2023's levels to 9.45 million head. On the other hand, beef cow numbers totaled 28.7 million head, down 1.0% from two years ago.

U.S. milk replacement heifer numbers were 3.50 million head and were unchanged from 2023's numbers. At 3.70 million head, beef replacement heifers fell 3.0% from 3.80 million head in July 2023.

Overall, the U.S. beef herd continues to contract across cows and replacement heifer inventories. With beef prices favorable, supply chain costs elevated, and the census-reported average age of the farmer being 58.1, selling cattle seems more appealing than expanding.

For dairy producers, high heifer prices persist due to lower dairy replacement heifer inventories. This results in more dairies retaining milk cows and keeping them in production longer.

Based on the July USDA Milk Production Report, the total number of milk cows on farm in the U.S. was 9.49 million head, a 159,000-head-increase year over year and a 10,000-head-increase from the prior month. From July 2024 to 2025, production per cow equaled 2,063 pounds, up 34 pounds. For July, U.S. milk production increased 3.4% from July 2024's levels to 19.96 billion pounds.

Across the U.S., 15 states reported more cows for July 2025 than the same month the prior year. Idaho and Texas led the pack with 48,000 head and 39,000 head increases, respectively. The herd expansion in these states could be attributed to better opportunities for growth due to increased processing capacity and better access to quality feed and forage. 19 states reported increases in their milk

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production. Due to increased cow numbers, infrastructure investments, and favorable market conditions, Kansas and South Dakota reported the highest year-over-year growth percentages in milk output at 18.6% and 10.6%, respectively.

On the other hand, Washington saw the steepest year-over-year losses with a 23,000 head deficit in cow numbers and a 9.3% decline in milk production. Illinois felt a 5.0% drop in milk production over the same timeframe. Even with several states reporting decreases in milk cow numbers and/or milk volume, July's Milk Production Report was overall positive for the U.S. dairy industry.

Looking at Pennsylvania, milk cow numbers fell 5,000 head from 465,000 to 460,000 head year over year. However, the Keystone State's production per cow grew 35 pounds from 1,735 to 1,760 pounds.

Pennsylvania's milk production increased 3 million pounds, rising from 807 million to 810 million pounds. Despite the drop in cow numbers, led to Pennsylvania's dairies still showing notable production growth at the cow and state levels due to genetics, feed efficiency, and overall management improvements.

For insight from industry experts on how Pennsylvania dairies can "level up," join us at the 2025 Dairy Financial and Risk Management Conference on September 10 from 8 a.m. to 2 p.m. at the Farm Show Complex in Harrisburg, Pa.

Attendees will gain valuable insight into global markets and policy, what sets dairy's best and brightest apart, firsthand accounts of producers who were able to turn their farms around financially, and more.

Dairy producers receive a discounted registration rate. To register, read more about the conference, or learn about our featured speakers, visit 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 & OPTIONS TRADING — AUG. 27, 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
CLASS III MILK FUTURES ($/CWT) vs. wk ago: *Aug25 weak; Sep25-Jan26 down 35 to 70¢. 10¢, Jan-26 up 6¢, Feb-Jul26 dn 5-20¢.*											*12-Month Avg. 17.74*	↓↓
17.38	18.20	17.83	17.70	17.68	17.50	17.68	17.75	17.70	17.77	17.79	17.95	↓↓
CLASS IV MILK FUTURES ($/CWT) vs. wk ago: *Aug25 weak, Sep25-Feb26 down $0.50-1.00, Mar-Jul26 down 25 to 75¢.*											*12-Month Avg. 18.20*	↓↓
18.50	17.68	17.80	17.45	18.00	18.00	18.05	18.38	18.35	18.55	18.53	19.16	↓↓

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-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
3.824	4.060	4.232	4.334	4.410	4.414	4.510	4.634	4.702	4.734	4.572	4.596	4.770	↑↑

SOYMEAL FUTURES ($/TON)

SEP-25	OCT-25	DEC-25	JAN-26	MAR-26	MAY-26	JUL-26	AUG-26	SEP-26	OCT-26	DEC-26	JAN-27	MAR-27	TREND
293.1	284.3	288.2	291.7	297.3	302.3	307.0	308.5	309.0	307.9	310.7	311.9	313.3	↓↓

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

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	*JUL-25
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 OFFICIAL GROSS MARGINS *per cwt(USDA All-Milk, corn, alfalfa & Ill. soybean, feed for ALL CLASSES of dairy cattle on farm)*

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	
	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	NC
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) 08/19/25
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to $/LB
NEXT GDT AUCTION 09/02/25

ALL-PRODUCT INDEX	2.2328↓↓	0.3%	SKIM POWDER (SMP)	1.2505↓↓ 1.8%
MILKFAT (AMF)	3.2114↑↑	0.1%	BUTTER	3.2414↓↓ 1.0%
BUTTERMILK POWDER	N/A	N/A	CHEDDAR(BULK)	2.0635↓↓ 0.5%
LACTOSE	N/A	N/A	MOZZARELLA (BULK)	2.0177↓↓ 2.7%
			WHOLE POWDER (WMP)	1.8312↑↑ 0.3%

U.S. CME SPOT DAILY ($/LB) 08/27/25

	Prev. 5 day Lds	Spot price	Weekly Avg
NFDM	26	1.2550↓↓	1.2550↓↓
BUTTER	17	2.0500↓↓	2.1518↓↓
CHEDDAR-40	24	1.7600↓↓	1.7883↓↓
CHEDDAR-500	0	1.7850↓↓	1.7817↓↓
DRY WHEY	13	0.5500↓↓	0.5633↓↓

U.S. WEEKLY USDA NDPSR ($/LB) WK ENDING 08/23/25*

FMMO PROD	MIL. LBS	WTED AVG $
NFDM	15.8	1.2822↓↓
BUTTER	2.0	2.4470↓↓
CHEESE-40	10.9	1.7812↑↑
CHEESE-500	REPORT ENDED	
DRY WHEY	5.0	0.5730↓↓

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

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
18.70(SEP)↓↓	9.34(SEP)↑↑	19.31(JUL)	17.32(JUL)↓↓	18.89(JUL)↑↑	21.30(JUN)NC	21.30(JUN)NC
SEP. CL I Skim ESL Adj. +0.53		**NEW RULE*			4.19F	4.14F
MONTH AGO						
18.93	9.26	18.43	18.82	18.30	21.30 4.24F	21.30 4.16F
YEAR AGO						
21.60	9.49	21.82	19.79	21.32	22.80 4.10F	23.20 4.00F

CURRENT FEDERAL ORDER VALUES ($/LB) * = *NEW*
*WEIGHTED AVG. 4-WK JULY 1-26, 2025

PRODUCT	VALUE	*(New Make Allow vs Old)	NET VALUE
CHEESE	1.7634↓↓	*(0.2519) *0.2003*	1.5115↓↓
BUTTER	2.5753↑↑	*(0.2272) *0.1715*	2.3481↑↑
NFDM	1.2783↑↑	*(0.2393) *0.1678*	1.0390↑↑
DRYWHEY	0.5670↑↑	*(0.2668) *0.1991*	0.3002↑↑

JULY 2025 COMPONENTS	
PROT	1.8730↓↓
B.FAT	2.8435↑↑
N.FAT	1.0286↑↑
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	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 AUG. 19, 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	3100	3300	2900	2900	1300	N/A	1700	N/A	1800	1800
YEAR AGO										
$2300 Q2-24 $2120 Q1-24	2850	2450	1900	2200	900	1500	1550	N/A	1800	1600

Price averages do not include lower-end 'common'

PA Auction Markets Aug. 21-26, 2025
CULL MARKET COWS ($/CWT LIVEWEIGHT)

Premium White	Breakers	Boners	Lean
N/A	164.00↑↑	157.50↑↑	143.75↓↓
WEEK AGO			
N/A	163.75	157.10	145.25
YEAR AGO			
N/A	145.75	139.00	128.00

Average to high dressing

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

	Holstein	Beef-X-Dairy	WK AGO		YR AGO	
	N/A	240.00↓↓	N/A	242.50	170.85	185.35
BULL CALVES: No. 1 & 2, 90-130 lbs	950.00↑↑	1275.00↓↓	925.00	1300.00	550.00	900.00
($/cwt liveweight) 70- 85 lbs	1025.00↑↑	1400.00↓↓	1000.00	1550.00	550.00	935.00

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