CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — **Sept. 23, 2026** — except where noted

How do I move beyond bookkeeping to using my financial numbers to make better business decisions?

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Having an accurate and timely bookkeeping system is vital for every business. When there is money in the checking account to pay all the invoices that have been received, many people find this to be a very satisfying activity. When money is tight, it can be less satisfying and more of a juggling act.

Accurate bookkeeping is also important to allow for a farm's tax forms to be completed as required. Lenders may require updated financial reporting to maintain or increase a lending relationship with a farm business. All of these functions are important and required. They are also focused on the past performance of the farm and aren't necessarily forward-looking by nature.

Managerial accounting is a general term that describes activities and processes that allow a business manager to use their financial information to help make better business decisions and manage the business for future success. It is important that the person or people making the day-to-day spending as well as the longer-term capital and investment decisions for a dairy business have a deep understanding of the financial situation of the operation.

In my experience working with farm families, I sometimes see situations where purchase decisions are made by someone on the production side of the operation without having a good understanding of the current financial realities of the farm. This can make for a challenge for the bookkeeper to deal with in the short-term and potentially puts the overall operation at more financial risk in the future. These decisions are made wisely when the decision-maker has a deep understanding of both the production side of the operation and the operation's financial situation and long-term goals. This is where sound managerial accounting systems and perspectives come into play on a farm.

So, how do you get to the point of managing your dairy business in this way? It starts with an understanding of the basic financial statements and what they can tell you about your business. There are various ratios and relationships that can be explored through financial statements that can tell you a lot about the financial health of your dairy business. How leveraged is your business? How might your lender be looking at your farm business? Is your farm truly profitable or are there vulnerabilities you should be aware of? Are there opportunities for you to improve, change or grow to reduce these vulnerabilities? What risk management opportunities should you consider and at what levels?

To answer some of these questions, additional manipulations of your financial information can give you other data that can help you make decisions. Calculating your cost of production from the past can help you benchmark against your industry and uncover your competitive advantages and disadvantages. Once you have this information, you can do more accurate budgeting for the future. You may consider changing how you do things, increase the scale of your operations or shift your enterprises around. For example, should you use more or less custom farming in the future? Should you raise all your heifers or send them out to a custom heifer raiser? Can and should you buy the neighbor's farm that is coming up for sale? All of these important decisions are better made with a deep understanding of the financial picture and specific financial strengths and weaknesses that your operation has.

There is an upcoming workshop designed to help you reach a higher level of financial literacy and managerial accounting ability to help make the hard decisions for your dairy farm. The Center for Dairy Excellence and Penn State Extension are collaborating to offer two free workshops to sharpen your skills and deepen your understanding of risk management and financial literacy. We invite you to join us on October 8th at the Lancaster Farm and Home Center or on October 15th at the Franklin County Extension Office. For more information and to register, visit www.centerfordairyexcellence.org/rm-workshop/ or call the Center at 717-346-0849. We look forward to seeing you there!

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 - SEPT. 23, 2026 AT THE CLOSE

	SEP-26	OCT-26	NOV-26	DEC-26	JAN-27	FEB-27	MAR-27	APR-27	MAY-27	JUN-27	JUL-27	AUG-27	TREND
CLASS III MILK FUTURES ($/CWT) vs. week ago: *Sep26 steady, Oct. $0.40 lower, rest of the board mostly $0.10 to $0.20 lower.* *12-Month Avg. 16.71* ↓↓	16.11	15.55	16.01	16.15	16.40	16.74	17.10	17.07	17.18	17.28	17.43	17.50	↓↓
CLASS IV MILK FUTURES ($/CWT) vs. week ago: *Sep26 up $0.10, Oct-Nov26 up $1.00, Dec26-Apr27 up $0.20-$0.50, May-Aug27 steady to firm.* *12-Month Avg. 18.90* ↑↑	19.14	20.14	20.05	19.25	18.75	18.61	18.60	18.60	18.50	18.35	18.35	18.45	↑↑

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	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	18.62 18.41
Class III	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	17.59 17.59
BASIS	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	1.03 0.82

CORN FUTURES ($/BU)

DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	MAR-28	MAY-28	JUL-28	SEP-28	DEC-28	JUL-29	DEC-29	TREND
5.296	5.442	5.514	5.542	5.254	5.286	5.412	5.470	5.500	5.160	5.142	5.302	5.016	↓↓

SOYMEAL FUTURES ($/TON)

OCT-26	DEC-26	JAN-27	MAR-27	MAY-27	JUL-27	AUG-27	SEP-27	OCT-27	DEC-27	JAN-28	MAR-28	MAY-28	TREND
371.0	371.2	371.0	369.9	369.4	370.0	365.3	360.0	354.7	355.2	355.9	353.5	353.9	↑↑

U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - *Source: 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	JUL-26	*AUG-26	
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	*267.75	↑↑

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

DMC	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	*JUL-26	
MARGIN	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	9.93	↓↓
ALL MILK	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	20.30	↓↓
FEED $	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	10.37	↑↑

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction ($/LB) 09/15/26

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

NEXT GDT AUCTION 10/06/26

ALL-PRODUCT INDEX	1.7550↓↓	1.1%
MILKFAT (AMF)	2.6039↓↓	3.0%
BUTTERMILK POWDER	2.0640↓↓	0.5%
LACTOSE	0.8140↓↓	4.3%
SKIM POWDER (SMP)	1.6738↑↑	0.1%
BUTTER	2.1597↓↓	5.7%
CHEDDAR(BULK)	1.8489↑↑	16.5%
MOZZARELLA (BULK)	1.8113↓↓	6.0%
WHOLE POWDER (WMP	1.6175↓↓	0.8%

U.S. CME SPOT DAILY ($/LB) 09/23/26

	Prev. 5 day Lds	Spot price	Weekly Avg
NFDM	31	2.1500↑↑	2.1225↑↑
BUTTER	71	1.3650↑↑	1.3550↑↑
CHEDDAR-40	24	1.3775↓↓	1.3625↓↓
CHEDDAR-500	11	1.4525NC	1.4442NC
DRY WHEY	3	0.7975↑↑	0.7883↑↑

U.S. WEEKLY USDA NDPSR ($/LB) WK ENDING 09/19/26*

FMMO PROD	MIL. LBS	WTED AVG $
NFDM	14.4	1.7964↑↑
BUTTER	2.4	1.4412↓↓
CHEESE-40	10.5	1.5435↓↓
CHEESE-500	REPORT ENDED	
DRY WHEY	6.8	0.6692↑↑

**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
	*18.88(OCT)	*14.12(OCT)	18.71(AUG)	16.64(AUG)	17.36(AUG)	20.30(JUL)↓↓ 4.19F	21.50(JUL)↓↓ 4.13F
MONTH AGO	17.04	12.16	21.89	15.52	18.34	21.10 4.23F	22.70 4.19F
YEAR AGO	18.04	10.03	19.18	17.24	18.50	20.80 4.13F	21.30 4.03F

**OCT CL I Skim ESL Adj. –0.46↓↓ ADV BF $1.50↓↓*

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

WEIGHTED AVG. 4-WK AUG. 1-29, 2026

PRODUCT	VALUE	*(New Make Allow	vs Old)	NET VALUE
CHEESE	1.6203↑↑	*(0.2519)	0.2003	1.3684↑↑
BUTTER	1.4747↓↓	*(0.2272)	0.1715	1.2475↓↓
NFDM	1.5985↓↓	*(0.2393)	0.1678	1.3592↓↓
DRYWHEY	0.6602↑↑	*(0.2668)	0.1991	0.3934↑↑

AUG 2026 COMPONENTS

PROT	2.8281↑↑
B.FAT	1.5107↓↓
N.FAT	1.3456↓↓
OS	0.4052↑↑

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

	ALL-MILK	BF	*MAILBOX
*FL	$26.20	3.86	$25.47
*SE	$26.50	3.93	$24.63
*APP	$25.80	4.09	$23.20
*PAwestern PA only			$23.17
*OH	$22.80	4.23	$22.77
*NY	$22.70	4.36	$22.56
*IN	$22.50	4.10	$22.15
*N.ENG	$22.70	4.41	$22.05
*PAeast	$22.10	4.25	$21.54
*MI	$21.70	4.30	$21.41
*IL	$21.40	4.24	$20.81
*U.S.	$21.30	4.31	$20.43
*MO	N/A	N/A	$20.27
*TX	$22.00	4.49	$20.24
*NE/KS	$20.30	4.41	$19.59
*CA	$21.70	4.25	$19.47
*MN	$19.90	4.50	$19.42
*WA/OR	$21.90	4.39	$19.37
*IA	$19.90	4.36	$19.28
*NM	$20.30	4.13	$19.17
*WI	$19.50	4.29	$19.13
*SD	$19.90	4.60	N/A
*ID	$20.90	4.37	N/A

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. 31, 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. 3800 small 3200	3000	3000	1800	N/A	2200	N/A	2400	1900
YEAR AGO											
$3000 Q2-25	$2860 Q1-25	3200	3500	3100	3300	1600	N/A	2000	N/A	2300	1800

Price averages do not include lower-end 'common'

PA/NY, Sep. 16-22, 2026, Choice beef dn $2, BxD dn $7, Holst light test, cows firm except Lean dn $4, Holstein calves up $50; BxD calves dn $50.

CULL MARKET COWS ($/CWT LIVEWEIGHT)

	Premium White	Breakers	Boners	Lean
Average to high dressing	N/A	144.10↑↑	131.50↑↑	107.35↓↓
WEEK AGO	N/A	143.75	130.10	111.35
YEAR AGO	N/A	158.75	151.60	137.25

FED STEERS ($/CWT LIVEWEIGHT) Choice & Prime 1350-1800 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
	189.00↑↑	213.00↓↓	226.35↓↓	1000.00↑↑	1250.00↓↓
WEEK AGO	185.00	220.50	228.10	950.00	1300.00
YEAR AGO	196.50	N/A	249.75	1150.00	1660.00