CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — **OCT. 1, 2025** — except where noted

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Milk production: Based on the August USDA Milk Production report, U.S. milk output totaled 19.5 billion pounds, up 3.2 percent year over year. July's revised production equaled 19.0 billion pounds with a reported 4.2 percent increase from July 2024, the highest year-over-year growth since 2021. This revision resulted in U.S. milk production rising 140 million pounds or 0.7 percent from July's initial estimates.

U.S. milk cow numbers continued to climb into August, reaching 9.52 million head. The nation's herd gained 176,000 head year over year and 10,000 head month over month. August production per cow averaged 2,050 pounds, up 27 pounds from the same month the prior year. Nationwide, we're seeing growth in milk output, cow numbers, and milk efficiency.

Across the country, 19 of the 24 selected states reported year-over-year growth in their milk volumes while only 4 states experienced declines. Kansas, South Dakota, and Georgia saw the highest year over year production growth at 20.4, 11.3, and 8.3 percent, respectively. Idaho followed closely behind with an 8.2 percent increase from the same month the prior year. On the other end of the spectrum, Washington and Illinois felt the most significant production decreases from August 2024 to 2025 at 8.1 and 3.7 percent, respectively.

Comparing August 2024's cow numbers to August 2025, 16 states experienced increases in their cow numbers with 6 states reporting decreases. Idaho, Kansas, and Texas led the pack with reported 50,000, 36,000 and 29,000 head increases to their milk cow numbers from August 2024 to 2025.

As these states invest more money into their infrastructure, their dairy processing capacity expands and creates opportunities for herd expansion.

Washington saw a steep drop of 21,000 head from August 2024's numbers to August 2025. The Evergreen state's dairy industry has been hurting the past several months due to several factors, including water scarcity, low milk prices, and rising feed prices.

While the national average milk output per cow was up year over year, the numbers varied from state to state. Florida and Georgia saw the most growth in their production per cow and reported increases of 85 and 55 pounds, respectively. Factors like regional weather patterns, feed cost variation, and income margins could explain the wide variance in average milk output per cow among the states.

Pennsylvania experienced moderate production growth of 0.6 percent year over year. While cow numbers were down 5,000 head, the Keystone State's average production per cow was up 30 pounds from the same month the prior year. While many states are seeing significant expansion in their milk supplies and herd sizes, Pennsylvania is still seeing growth in the milk efficiency per cow. This is a great example of Pennsylvania dairy farmers' commitment to improving herd genetics and optimizing their feeding strategies.

While the dairy industry is unpredictable and planning for the future can seem really overwhelming, it doesn't have to be. On November 18 (East Earl, PA) and November 20 (State College, PA), join the Center for Dairy Excellence and Penn State Extension at one of their "Passing the Torch: Transition Planning Workshops." At these interactive, roundtable workshops, farm families can sit down with outside advisors to help navigate communication and family dynamics to develop an effective transition plan tailored to their operation.

Registration is $25 total for the first two family members, then $5 for each additional family member. Lunch will be provided as well. Don't miss out on this great opportunity and register now to secure your spot! If you're an industry professional, feel free to share this with your dairy clients who might benefit from these workshops. Visit www.centerfordairyexcellence.org/passing-the-torch for more details or to register.

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 — OCT. 1, 2025 AT THE CLOSE

	SEP-25	OCT-25	NOV-25	DEC-25	JAN-26	FEB-26	MAR-26	APR-26	MAY-26	JUN-26	JUL-26	AUG-26	TREND
CLASS III MILK FUTURES ($/CWT) vs. wk ago: *Sep25 dn 10¢, Oct25-Jan26 up 25-75¢, Feb-Aug26 up 5 to 15¢.* *12-Month Avg. 17.29* ↑↑	17.57	17.54	17.40	17.46	17.19	17.10	17.07	17.05	17.07	17.18	17.40	17.45	↑↑
CLASS IV MILK FUTURES ($/CWT) vs. wk ago: *Sep25 dn 35¢, Rest of board 20 to 60¢ higher, mainly up 30 to 40¢.* *12-Month Avg. 16.48* ↑↑	16.38	14.89	15.20	15.75	15.90	16.00	16.59	16.93	17.19	17.49	17.74	17.75	↑↑

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-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	MAR-27	MAY-27	JUL-27	SEP-27	DEC-27	JUL-28	DEC-28	TREND
4.172	4.334	4.432	4.504	4.502	4.616	4.750	4.826	4.862	4.680	4.700	4.880	4.680	MIXED

SOYMEAL FUTURES ($/TON)

OCT-25	DEC-25	JAN-26	MAR-26	MAY-26	JUL-26	AUG-26	SEP-26	OCT-26	DEC-26	JAN-27	MAR-27	MAY-27	TREND
264.7	273.4	278.1	284.9	291.7	297.8	300.1	301.6	302.5	306.8	309.4	312.3	315.9	MIXED

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

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	*AUG-25
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	*202.00 ↑↑

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

DMC	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	*JUL-25
MARGIN	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	*10.94 ↓↓
ALL MILK	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	*20.80 ↓↓
FEED $	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	*9.86 ↓↓

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction ($/LB) 09/16/25
***Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS** per metric ton converted to $/LB*
NEXT GDT AUCTION 10/07/25

ALL-PRODUCT INDEX	1.8335↓↓	0.8%	SKIM POWDER (SMP)	1.1865↓↓	0.3%
MILKFAT (AMF)	3.0862↓↓	1.5%	BUTTER	3.1270↓↓	0.8%
BUTTERMILK POWDER	N/A	N/A	CHEDDAR(BULK)	2.1842↑↑	2.2%
LACTOSE	N/A	N/A	MOZZARELLA (BULK)	1.7514↓↓	9.6%
			WHOLE POWDER (WMP)	1.7196↓↓	0.8%

U.S. CME SPOT DAILY ($/LB) 10/01/25

	Prev. 5 day Lds	Spot price	Weekly Avg
NFDM	20	1.1625↑↑	1.1600↑↑
BUTTER	82	1.7250↑↑	1.7317↑↑
CHEDDAR-40	20	1.7550↑↑	1.7133↑↑
CHEDDAR-500	0	1.7250↑↑	1.6867↑↑
DRY WHEY	2	0.6400↓↓	0.6450↑↑

U.S. WEEKLY USDA NDPSR ($/LB) WK ENDING 09/27/25*

FMMO PROD	MIL. LBS	WTED AVG $
NFDM	31.5	1.1695↓↓
BUTTER	3.1	1.9119↓↓
CHEESE-40	12.3	1.7569↓↓
CHEESE-500	REPORT ENDED	
DRY WHEY	6.0	0.5793↓↓

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

***NEW* USDA $/CWT JUN-25**

	ALL-MILK	BF	*MAILBOX
*FL	$23.80	3.78	$22.71
*SE	$24.10	3.83	$22.26
*PAwestern PA only			$22.11
*N.ENG	$22.30	4.25	$21.52
*OH	$22.50	4.15	$21.42
*APP	$24.10	4.03	$21.33
*IL	$20.70	4.16	$21.29
*FO30	$21.50	4.37	$21.21
*NY	$21.80	4.21	$21.20
*WI	$21.50	4.22	$21.15
*PAeast	$21.30	4.14	$20.99
*MN	$21.80	4.41	$20.97
*CA	$20.50	4.14	$20.57
*U.S.	$21.30	4.19	$20.55
*MO	N/A	N/A	$20.41
*IN	$22.00	4.08	$20.30
*IA	$21.10	4.29	$20.10
*SD	$21.90	4.48	N/A
*ID	$21.20	4.21	N/A
*TX	$21.70	4.37	$19.93
*MI	$21.40	4.15	$19.85
*NE/KS	$20.30	4.23	$19.51
*NM	$20.00	4.02	$18.92
*WA/OR	$21.80	4.17	$17.96

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
	18.04(OCT)	10.03(OCT)	*17.39(SEP)	*17.59(SEP)	*16.17(SEP)	*20.90(AUG)↑↑ 4.16F	*21.30(AUG) 4.07F
MONTH AGO	18.70	9.34	19.18	17.24	18.50	20.80 4.13F	21.30 4.03F
YEAR AGO	23.17	10.82	22.40	23.34	22.29	23.60 4.09F	24.10 4.00F

*OCT. CL I Skim ESL Adj. +0.97↑↑ *NEW RULE*

CURRENT FEDERAL ORDER VALUES ($/LB) * = *NEW
*WEIGHTED AVG. 4-WK AUG 1-30, 2025

PRODUCT	VALUE	*(New Make Allow vs Old)		NET VALUE	AUG 2025 COMPONENTS	
*CHEESE	1.8066↑↑	*(0.2519)	0.2003	1.5547↑↑	*PROT	2.7062↑↑
*BUTTER	2.0377↓↓	*(0.2272)	0.1715	1.8105↓↓	*B.FAT	2.1925↓↓
*NFDM	1.2265↓↓	*(0.2393)	0.1678	0.9872↓↓	*N.FAT	0.9773↓↓
*DRYWHEY	0.5782↑↑	*(0.2668)	0.1991	0.3114↑↑	*OS	0.3207↑↑

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

	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	AUG-25
Bred cows & heifers	N/A	N/A	2800	N/A	2250	N/A	N/A	2921(ltd)	N/A	N/A	2650	N/A	N/A	N/A
U.S. AVG. FRESH/MILKING COWS *per head as reported by USDA Monthly National Dairy Comprehensive Report*	1624	N/A	N/A	2800	2489	N/A	N/A	N/A	N/A	N/A	3021	N/A	3010	N/A

CATTLE - DAIRY PURPOSES($/HD) USDA and other auction reports combined 4-week rolling average as of SEP. 24, 2025

	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)
	*$3010 Q2-25 ↑↑	$2900 Q1-25	3500	All Dairy 3800 (4200 Hol-only)	3500	3300	1800	N/A	2300	N/A	2400	2000
YEAR AGO	$2300 Q2-24	$2120 Q1-24	3100	2650	2000	2200	900	1500	1400	N/A	2000	1800

PA Auction Markets Sep.25-30, 2025
CULL MARKET COWS ($/CWT LIVEWEIGHT

	Premium White	Breakers	Boners	Lean
Average to high dressing	N/A	152.10↓↓	147.50↓↓	135.25↓↓
WEEK AGO	N/A	158.75	151.60	137.25
YEAR AGO	N/A	127.50	118.35	110.35

Price averages do not include lower-end 'common'

		Holstein	Beef-X-Dairy	WK AGO		YR AGO	
FED STEERS ($/CWT LIVEWEIGHT) Choice & Prime 1250-1550 lb		N/A	224.50	196.50	N/A	154.25	181.75
BULL CALVES: No. 1 & 2 ($/cwt liveweight)	90-130 lbs	1030.00↓↓	1485.00↓↓	1130.00	1550.00	450.00	800.00
	70- 85 lbs	1030.00↓↓	1710.00↓↓	1175.00	1775.00	475.00	850.00

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